

# Government of India Ministry of MSME

### STATE INDUSTRIAL PROFILE OF SIKKIM

### 2014-15



# सूक्ष्म, लघु एवं मध्यम उद्यम MICRO, SMALL & MEDIUM ENTERPRISES

### PREPARED BY

### MSME-Development Institute

(Ministry of MSME, Govt. of India,)
P.O. Tadong, Gangtok-737102(Sikkim)
Phone-03592231880, Fax:-03592231262
e-mail: dcdi-gangtok@dcmsme.gov.in
Web-www.sikkim.nic.in/msme-di

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### INTRODUCTION

The State Industrial Profile of Sikkim for the year 2014-15 is being presented covering a wide spectrum of human activities. The general objective of preparing the Industrial Profile of Sikkim is to portray the present state of industrial development against the backdrop of various socio-economic indicators prevailing in the State. Sikkim is one of the least industrially developed states of India. However, a substantial number of large units are being set up in the manufacturing and service sectors since 2006 onwards. Few units that are engaged in manufacturing sector are mainly dealing with pharmaceuticals, chemicals, liquors, foam mattresses, food products, iron rods, etc. Some of these units are small and medium enterprises. Majority of small and medium enterprises are engaged mainly in service sector activities like Hotels, Resorts, Restaurants, and Travel Agencies etc. because of natural and scenic beauty of state and development of tourism infrastructure in the State. The present industrial scenario is quite encouraging though a lot needs to be done to exploit the full potential of the State.

While compiling the Profile, data has been collected from different secondary sources. Various State & Central Government departments have been approached to provide the requisite information. As far as possible due care has been given to incorporate the latest available facts & figures about the state. The data provided in Annual Reports of various State government Departments/Organizations and, "Sikkim- A Statistical Profile" published by the DESME, Govt.of Sikkim has been mostly relied upon. Census data of 2011 has been used to get the demographic particulars of the State. Suggestions for further improvement are most welcome.

### **GENERAL CHARACTERISTICS OF THE STATE**

### **Location:**

Sikkim is one of the far flung States of India. The State is located of the foothills of Eastern Himalayas between latitude of 27degree 49" and 28 degree 10" north and the longitudes of 88 degree 28" and 88 degree 55" East. Sikkim is the 22nd state of India came into existence with effect from 16<sup>th</sup> May, 1975. Sikkim is a very small hilly state in the Eastern Himalayas, extending approximately 115 Kms from north to south and 65 Kms from east to west, surrounded by vast stretches of Tibetan Plateau in the North, Chumbi Valley of Tibet and the kingdom of Bhutan in the east, Darjeeling district of West Bengal in the south and the kingdom in Nepal in the west. The state being a part of inner ranges of the mountains

of Himalayas has no open valley and no plains but carried elevations ranging from 300 to 8583 mtrs above mean sea level consisting of lower hill, middle and higher hills, alpine zones and snow bound land, the highest elevation 8583 mtrs, being the top of the Mt. Kangchendzonga itself. Sikkim has been divided into four districts and each district has further been bifurcated into two sub-divisions for administrative purpose except the East district which has four sub-divisions. Sikkim state being a part of inner mountain ranges of Himalayas, is hilly having varied elevation ranging from 300 to 8540 meters. But the habitable areas are only up to the altitude of 2100 mtrs. Constituting only about 20% of the total area of the state. The highest portion of Sikkim lies in its north west direction. A large number of mountains having altitudes of about seven thousand meters stands here with -Kanchenjunga (8598 m.), The third highest peak in the world. The high serrated, snow capped spurs and peaks of Kanchenjunga look attractive consisting of Kumbha Karna (7711 m.), Pandim (6706 m.), Narsingh (5825 m.), Kabru Dome (6545 m.), etc. A number of glaciers descends from eastern slopes of Kanchenjunga into Sikkim where snow clad line is found above 5300 mtrs. The biggest of them is Zemu, from whose snout above Lachen monastery rises the river Teesta. Teesta is the main river and its main tributaries are Zemu,

Lachung, Rangyong, Dikchu, Rongli, Rangpo and Rangit which form the main channel of drainage from the north to the south. It boasts of the great mount Kanchendzonga as its crown. Ethnically Sikkim has mainly three groups of people viz. Nepalis, Bhutias, Lepchas. The local language is Nepali. English is the official language. This jewel-like mountain state of ethereal beauty with an area of 7096 sq. km, nestles in the heart of Himalayas. Cradled in the manifold splendours of nature deep within the snow clad Himalayas is Sikkim's capital Gangtok, wrapped in mists and clouds, a garden state with an incredible variety of rhododendrons & a host of other flowers.

### **Demographic Features of Sikkim:**

Sikkim is a multi-ethnic state. Broadly, the population can be divided into tribal and non-tribal groups. Lepcha, Bhutia, Sherpa, Limboo and Tamang are categorized as Scheduled Tribes. The Lepchas are considered as the original inhabitants of the state and declared as the Primitive Tribe by the State Government. Compared to other ethnic groups, the Lepchas still maintain many of their traditions. The other major tribal community is Bhutias. Lately, Limboo and Tamangs are recognized as Schedule tribes .The Sherpas are a marginal ethnic tribal community in the state. Over 70% population consists of Nepalese. They are dominant ethnic group in the state. The people from the other parts of the country mostly involved in trade and business activities also comprises substantial portion of population. The total population of Sikkim as at 0:00 hours of 1st March 2011 stood at 6,07,688 as per the provisional results of the Census of India 2011. This accounts for barely 0.05 per cent of the total population of the country. The population of the State has grown by 12.36% between 2001 and 2011, as against 17.64% for the country as a whole. The sex ratio (i.e., the number of females per thousand males) of population was recorded as 890, which has increased from 875 in the previous census. Total literacy of the State has risen to 82.20% in 2011 from 68.61% in 2001 Census.

Out of the total population of 607,688 there are 321,661 male and 286,027 females. Among all the four districts North District is the largest in area but least populated and constitutes 7.13% followed by West District with 22.43 %, South District 24.15% and the East District has the highest population constituting 46.29% of the total population of the state. Similarly district-wise decadal variation rate of population (2001-2011) is 5.67% for North, 14.80% for East, 11.57% for South and 10.59%, West whereas for State it is 12.36%. The density of population is 10 in North, 295 in East, 196 in South and 117 in West as compared with State density of 86. The district-wise sex ratio is (females per thousand male) is 769 in North, 872 in East, 914 in South and 941 in West as compared to 889 for State. The literacy of State stands at 82.20% in 2011 as compared to 74.04% of the national level.

### THE ECONOMIC CLASSIFICATION OF POPULATION OF SIKKIM (1971-2011)

The economic classification of population of Sikkim 1971-2011 is given below, where the workers are classified according to the volume of the work: -

Total workers are again divided under main workers, marginal workers. The main workers are sub-divided into cultivators, Agricultural laborers, workers in household industry and other workers which can be depicted in the table below:

**Economic Classification of Population of Sikkim - 1971-2011** 

Sl. No.	Item	1971	1981	1991	2001	2011
1	Population	209843	316385	406457	540851	607688
2	Main Workers	111609	147436	164392	212904	230397
(a)	Cultivators	-	88610	97834	101200	117401
(b)	Agricultural Labourers	-	4887	13793	9081	25986
(c)	Worker in Household Industry	-	1586	1309	3168	5143
(d)	Other workers	-	52353	55785	99455	159608
3	Marginal Workers	-	5378	4329	50139	77741
4	Non Workers	98236	163571	237736	277808	
5	Decadal Change					
(i)	Main Workers				48512	17493
(a)	Cultivators				3366	16201
(b)	Agriculture Labourers				(-)4712	16905
(c)	Household Industry Workers				1859	1975
(d)	Other Workers				43670	60153
(ii)	Marginal Workers				45810	27602
(iii)	Non-Workers				40072	NA

**Source- Provisional results of Census 2011** 

# Rural and Urban Population of Sikkim by Sex-2011

State /	Sector		Population	
District		Persons	Male	Female
North	Rural	39065	22274	16791
	Urban	4644	2456	2188
	Total	43709	24730	18979
East	Rural	161096	87147	73949
	Urban	122487	64285	58202
	TOTAL	283583	151432	132151
South	Rural	125651	65848	59803
	Urban	21199	10822	10377
	Total	146850	76670	70180
West	Rural	131187	67528	63659
	Urban	5248	2710	2538
	TOTAL	136435	70238	66197
Sikkim	Rural	456999	242797	214202
	Urban	153578	80273	73305
	Total	610577	323070	287507
India	Rural	741660293	381141184	360519109
	Urban	285354954	150135894	135219060
	Total	1027015247	531277078	495738169

Source – Primary Census Abstract 2011

# **FIGURES AT A GLANCE**

Figures at a Glance: SIKKIM VIS-À-VIS INDIA 2001)

Items	Sector/Year	Unit	Sikkim	India
Population 2011	Total	No	607688	1210193422
	Rural	No	455962	833087662
	Urban	No	151726	377105760
No. of Towns	2011	No	9	5161*
Decennial Growth of	2001-2011*	Absolute	66837	181455986
Population		Percentage	33.06	12.36
Urban Population as a	2011	Percentage	24.97	31.16
percentage to Total				
Population				
Sex Ratio	2011*	Females per	889	940
		1000 Males		
Density of Population	2011	Per Sq. Km	86	382
Literacy Rate	2011	Percentage	82.20	64.80*
% of Main Workers to	2011	Percentage	74.8	NA
Total workers				

# \*2011 figures not available

# District-wise Comparative Population Figures at a Glance: 2011

Sl.	Item	Year	Unit	North	East	South	West	Sikkim
No								50=500
1	Population	2011	Persons	43354	281293	146742	136299	607688
2	Urban	2011	As a % of	10.72	42.93	14.37	3.84	24.97
	Population							
			Population					
3	Literacy	2011	%	82.20	84.67	82.06	78.69	82.20
	Rates							
4	Decennial	2001	%	6.5	15.7	11.7	10.7	12.9
	Growth	-						
5	Density	2011	Per Sq.	10	295	196	117	86
	of		Km.					
6	Sex Ratio	2011	Females/	752	844	927	929	875
			1000					
			Males					
7	Main	2011	As a % of	73.7	79.5	68.1	72.8	74.8
	Workers		Total					
			Workers					
8	Marginal	2011	-do-	26.3	20.5	31.9	27.2	25.2
	workers							
9	Towns	2011	Numbers	1	4*	2	2	9
10	Cultivators	2011	% of Total	31.3	22.5	50.6	58.0	38.1
			Workers					
11	Agriculture	2011	-do-	9.7	8.2	5.6	11.4	8.4
	Labourers							
12	Area	2011	Sq.Km.	4226	954	750	1116	7096
13	Household	2011	% of Total	1.4	1.7	1.3	2.0	1.7
	Industry		Workers					
	1 11 6							

\*- Including one Census Town (Rhenock) Source –Census of India 2011,- Primary Census Abstract

# **FACTS & FIGURES ABOUT SIKKIM**

Location	Approx. 27 deg. North 88 Deg. East				
Capital	Gangtok				
District, Areas and District	East District (954 sq.km.) - Gangtok				
Capitals	West District (1166 sq.km) -				
	Gyalshing South District (750				
	sq.km) - Namchi North District				
	<b>1</b> /				
	(4226 sq.km.)- Mangan				
No. of Sub-Divisions	9 (Gangtok, Pakyong, Rongli, Namchi, S Rabongla,	Soreng, Gyalshing,			
Climate	Tropical, Temperate and Alpine				
No. of Zilla Panchayat Ward	95				
No. of Gram Panchayat	165 Units;				
No. of Revenue Blocks	452				
Other Important towns	Jorethang, Singtam, Rangpo,Namchi,,G Mangan,				
Languages Spoken	Magar, Rai,	imboo,			
Main occupations	Farmers, Cardamom ,Growers, Govern	ment, Transport			
	and Tour Operators, Hotels and Restaur	ant Keepers and			
Per Capita Income (PCI-GSDP	227908(2014-15, at current prices)***	di			
State Gross Domestic product(in	1451773/- (2014-15, at current prices)**	*			
Religions	Hinduism, Buddhism and Christianity				
Distance from Siliguri	114 Km				
Distance from New Jalpaiguri	125 Km				
State Day (the Day Sikkim became a	16 <sup>th</sup> May 1975				
State Animal	Red Panda (Ailurus fulgens)				
State Bird	Blood Pheasant (Ithaginis cruentus)				
State Flower	Nobile Orchid (Dendrobium nobile)				
State Tree	Rhododendron (Rhododendron niveum)				
No. of Assembly seats	32				
No. of Lok Sabha seats	1				
No. of Rajya Sabha	1				
Educational Institutions in the	a)Government	8			
State	Colleges b) Central	1			
	University c)Medical	1			
	College d)Engineering	1			
		2			
	College	2 2			
No. of Hospitals	e)Polytechnique 6 including Sir Thutob Namgyal Men	_			
	Central Referral Hospital (Manipal)	юниі ноѕрниі ина			
Approx No. of EM II filed by MSMEs as per MSME Dev. Act 2006 as on 31 <sup>st</sup> March 2015 No. of Major Industrial/Hotel	200				
No. of Major Industrial/Hotel	55				
Central Public Sector	2 (only branch or project offices)				
State Public Sector Undertaking	3				
Since I work Sector Oracianing	-				

<sup>\*\*\*</sup> Advance Estimate -Source: 1) DESME, Govt. of Sikkim
2) Commerce & Industries Dept.

### **GROSS STATE DOMESTIC PRODUCT OF SIKKIM AT CURRENT PRICES**

(Base Year :2004-05)

	,					I
YEAR	GSDP	GROWTH	PCI-GSDP	GROWTH	NSDP	
	(IN LAKHS)	( IN %)	(IN RS)	( IN %)	(IN LAKHS)	
2004-05	173915	-	30727		151066	
2005-06	199290	14.59	34780	13.19	173345	14.75
2006-07	216122	8.45	37198	6.95	187075	7.92
2007-08	250609	15.96	42693	14.77	213949	14.37
2008-09	322908	28.85	54270	27.12	279550	30.66
2009-10	613276	89.92	101873	87.71	546311	95.42
2010-11	741157	20.85	121701	19.46	663642	21.48
2011-12	890664	20.17	144354	18.61	802886	20.98
2012-13*	1047260	17.58	168100	16.45	943191	17.48
2013- 14**	1237669	18.18	196144	16.68	1113658	18.07
2014- 15***	1451773	17.30	227908	16.19	1305030	17.18

# **REVISED STATE DOMESTIC PRODUCT OF SIKKIM AT CONSTANT PRICES**

YEAR	GSDP	GROWTH	PCI-GSDP	GROWTH	NSDP	
	(IN LAKHS)	( IN %)	(IN RS)	( IN %)	(IN LAKHS)	
2004-05	173915		30727		151066	
2005-06	190945	9.79	33324	8.45	166214	8.68
2006-07	202385	5.99	34834	4.53	176003	4.43
2007-08	217823	7.63	37108	6.53	186210	4.72
2008-09	253499	16.38	42605	14.81	210594	11.57
						71.71
2009-10	440101	73.61	73106	71.59	365860	8.82
2010-11	478428	8.71	78560	7.46	402769	11.44
2011-12	529904	10.76	85884	9.32	454751	6.41
2012-13*	570284	7.62	91538	6.58	488603	6.50
2013-14**	615231	7.88	97501	6.51	527057	
2014-15***	659988	7.27	103609	6.26	565272	6.24

# SECTORWISE CONTRIBUTION IN GSDP OF SIKKIM AT CURRENT PRICES (REVISED) FROM TO 2008-09 TO 2012-13 (IN LACS)

SI.No	SECTOR	2008-09	2009-10	2010-11	2011-12*	2012-13**
1	AGRICULTURE	43072	48112	56573	72946	84119
2	FORESTRY &	3798	3452	4109	4746	5551
	LOGGING					
3	FISHING	125	155	182	312	491
	TOTAL AGRI & ALLIED	46995	51719	60864	78004	90161
5	MINING & QUARRYING	495	586	741	1346	1737
	TOTAL PRIMARY SECTOR	47490	52305	61605	79349	91898
6	MANUFACTURING	11896	181116	288848	316703	372601
7	CONSTRUCTION	53626	61853	70880	106336	131669
8	ELECTRICITY, GAS & WATER SUPPLY	50451	102130	92310	93648	95109
	TOTAL SECONDARY SECTOR	115973	345099	452038	516687	599379
9	TRANSPORT, STORAGE & COMMUNICATION	11817	14810	15991	19379	23127
10	TRADE HOTELS, RESTAURANTS	14678	16136	19569	23268	25963
11	BANKING & INSURANCE	8681	10742	14177	16345	18845
12	REAL ESTATE, OWNERSHIP OF DWELLING & BS	31107	34066	38604	43727	49453
13	PUBLIC ADMINISTRATION	45232	71349	70969	75080	87169
14	OTHER SERVICES	47930	68769	68204	87788	99731
	TOTAL TERTIARY SECTOR	159445	215872	227514	265587	304377
15	GROSSS STATE DOMESTIC PRODUCT	322908	613276	741157	861623	995654
	POPULATION (IN LAKHS)	5.95	6.02	6.09	6.174	6.23
16	PER CAPITA INCOME (IN RS)	54270	101873	121701	139647	159816

SOURCE-DESME, GOVT. OF SIKKIM

GSDP: Gross State Domestic Product, NSDP: Net State Domestic Product, PCI: Per Capita Income,

<sup>\*</sup> Provisional Estimate \*\* Quick Estimate \*\*\* Advance Estimates

**Total Area Statement**: The total geographical area of the state is 7096 sq. Kms. The state is divided into four districts for which detail is given below:

**Details of the Districts in Sikkim** 

State/Districts	Headquarters	Area in	Proportion to Total area of
		Sq.Kms	State
Sikkim	Gangtok	7,096	100.00
North District	Mangan	4,226	59.56
South District	Namchi	750	10.57
East District	Gangtok	954	13.44
West District	Gayzing	1,166	16.43

### STATE ADMINISTRATIVE SET-UP

For administrative conveniences the state is further been divided into 453 Revenue Block, 32 Constituencies. Besides these divisions the state has 16 Sub divisions, 165 Gram Panchayat units, 8 towns and 1 Parliamentary seats each for Rajya Sabha and Lok Sabha.

District Wise Number Of Zilla Panchayat, Gram Panchayat, Panchayat Ward, Panchayat Ghar, Panchayat Member

District	No. of Zilla Panchayat	No. of Gram	No. of Panchayat	No. of Panchayat Members
	Members	Panchayat	Ward	Members
North	22	21	108	108
East	32	46	251	251
South	28	45	260	260
West	28	53	287	287
State	110	165	906	906

Source - Sikkim: A Statistical Journal

### **District Wise Number of Administrative Set-up**

District	Unit	North	South	East	West	State
Sub-Divn	No	4	4	4	4	16
Towns	No	1	2	3	2	08

Source – Sikkim: A Statistical Profile

### NATURAL RESOURCES OF THE STATE-

### 1. Important Rivers of Sikkim and their Tributaries:

Sl.No.	RIVERS	TRIBUTARY				
1	Rangit	Rangbhang, Relli, Rathong and Kalej				
2	Teesta	Dikchu, Rangyong, Bakchachu, Rangpochu, Zemu Chu, Lachung Chu				

Other smaller tributaries of the Teesta River are Zemuchu, Lenakchu, Lachungchu, Talungchu.

### 2. Forest:

Sikkim is rich in forest resources. The total area under the Administrative Control of Forest, Environment & Wild life Department is 5841.00 Square Kilometer which accounts for 82.31 % of the total geographical area of the State . District-wise classification of Forest Area along with area of coverage is depicted in the table below

**Area Under Forest Cover In Sikkim 2011-2012** 

District	Khasmal/ Goucharan	Reserved Forest (RF)	Total Forest Area	Revenue Block excluding Khasmal	Geographical Area (Sq.Km)
East	105.01	505.50	610.51	343.49	954.00
North	60.20	3880.00	3940.20	285.80	4226.00
South	104.06	304.75	408.81	341.19	750.00
West	119.73	761.75	881.48	284.52	1166.00
Total (State)	389.00	5452.00	5841.00	1255.00	7096.00

Source – Forest, Environment & Wildlife Management Dept. Annual Administrative Report 2011-12.

Revenue realized by Forest, Environment & Wildlife Management Department, Govt. of Sikkim from the year 2001-02 to 2011-12 is given below-

SL.NO	FINANCIAL YEAR	ESTIMATED (IN LAKHS)	REALISED (IN LAKHS)
1	2001-2002	200.00	664.77
2	2002-2003	438.00	7129.72
3	2003-2004	550.00	723.40
4	2004-2005	550.00	787.45
5	2005-2006	700.00	817.66
6	2006-2007	800.00	802.00
7	2007-2008	700.00	800.26
8	2008-2009	800.00	848.09
9	2009-2010	1000.00	879.00
10	2010-2011	1100.00	1115.17
11	2011-2012	1100.00	1253.05

Out of Turn Forest Resources

Sl.No	ITEMS	2009	2009-2010		2010-2011		
		Quantity	Value	Quantity	Value (Rs)		
1	Hardwood	1627.98 cft.	4.97 Lakhs	1586.35 cft.	8.66 Lakhs		
2	Firewood	150.5 Piles	8.2 Lakhs	248.5 Piles	1.55 Lakhs		
3	Charcoal	Bags	Nil	Nil	Nil		

# 3. Value of Minor Forest Products produce during last three years:

SL.	ITEMS	2009-2010	2010-2011	2011-2012	
NO		Production Value	Production Value	Production Value	
1	Other Forest Produce ( non-Medicinal plants	3.22	24.42	26.26	
2	Silk (Coocons)	28.10	87.23	1.26	
3	Medicinal Plants Herbs	21.02	7.04	19.79	
	Grant Total	53.22	138.07	76.94	

<sup>\*</sup> Value (Rs. in 000)

#### 4.FOREST COVER IN DIFFERENT DENSITY CLASSES IN SIKKIM

CLASS	Forest and Tree Cover under State Sikkim				
	Area(Sq. Km.)	% of Geographical Area			
(a) Very Dense Forest	500	7.05			
(b) Moderately Dense Forest	2161	30.45			
© Open Forets	696	9.84			
Total Forest Cover	3359	47.34			
Scrub	356	5.12			
Non-Forest	3381	47.54			
Total Geographical Area	7096	100			

The high incidence of soil instability, degeneration of agricultural land, shrinking of catchments areas and economic dependence over land has caused extensive deforestation of forest resources. This has been countered by various afforestation programmes. The State Government has launched a unique and innovative programme called "State Green Mission" with a view to raise avenue plantation along the roads and beautification of all vacant waste lands by using all the manpower in various departments in the Government, Non-Government Organizations including different Eco-clubs and Self Help Groups and other nature lovers so that green belt and avenues for meeting aesthetic recreational needs of the people can be created and vacant areas can be beautified for tourist attraction. The areas covered under various plantation programmes like State Green Mission, P.Ms Twenty Point Programme, Ten Minutes to Earth and Aesthetic Forestry are given below-

### 5. Area covered under various afforestation programmes:

# (i) STATE GREEN MISSION- Total Saplings Planted( in lakhs) under State Green Mission

Sl.No.	District	Phase-I	Phase-II	Phase-	Phase-	Phase-V	Phase-	Total
		2006-07	2007-08	III 2008-	IV	2010-11	VI	
				09	2009-10		2011-12	
1	East	2.66	3.49	0.10	1.51	0.035	4.01	11.81
2	South	1.19	3.51	0.33	0.23		0.66	5.92
3	West	1.58	1.83	1.45	4.91		0.11	9.58
4	North	0.33	2.31	0.52	0.96		0.08	4.20
Total		5.76	11.14	2.40	7.66	0.035	4.86	31.81

# Notional Area Covered @ 650 seedling/ hect. Under the Mission

Year	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Area(Hect)	886	1713	1018	558	6	747	4928

### (ii) Area Covered under P.Ms Twenty Point Programme during 2011-12-

Sl.No	Afforestation Agency	Total Target (Hect)	Achievement (Hect)
1	By Forest Department	6000	6738.66
2	By Other Department		716.1
	Total		7454.76

# (iii) Number of saplings planted and area covered under the programme Ten Minutes to Earth from the year 2009 to 2012 is depicted below-

Sl.No	District	Saplings	Saplings	Saplings	Saplings	Total
		planted on	planted on	planted on	planted on	
		15/07/2009	25/06/2010	25/06/2011	25/06/2012	
1	North	60465	54104	9224	11041	134834
2	East	203740	185000	64277	66422	519439
3	West	186039	115586	21895	28305	351825
4	South	160450	117341	18472	15232	311495
	Total	610694	472031	113868	121000	1317593

Notional Area Covered under Ten Minutes to Earth Programme @ 650 seedling /hect.

Year	2009	2010	2011	2012	Total
Area(hect.)	939.52	726.20	175.18	186015	2027.06

# (iv) Area Covered under Aesthetic Forestry-

Year	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012
Area(hect.)	31	31	30	30	31

# 6. National Park, Sanctuary and Forest Park:

The State has a National Park, Sanctuary and Forest Park is depicted in the table below.

# National Parks and Sanctuaries (As on $31^{\mbox{ST}}$ March 2002)

Sl. No	Name of National Park / Sanctuaries /	Area (in Sq. Km.)	Main Species
1	Khanchendzonga National Park	1784.0 0	Snow Leopard, Shapi/ or Himalaya n Thar
2	Fambong Lho Wildlife Sanctuary	51.7 6	Rusty Ballied,S hortwing & Satyr
3	Singba Rhododendron Sanctuary	43.0 0	Musk Deer,
4	Maenam Wildlife Sanctuary	35.3 4	Satyr Tragopan & Red
5	Barsey Rhododendron Sanctuary	104.0	Red Panda & Blood Pheasant
6	Kyongnosla Alpine W/L Sanctuary	31.0	Himalay an Monal & Blood Pheasant
7	Pangkhola W/L Sanctuary	128.0 0	Monal, Takin, Gaur,Tig er
8	Kitam Bird Sanctuary	6.00	Blue Peafowl

# 7. Flora and Fauna:

Besides these, the State has discovered 144 species / sub-species of Mammals more than 552 species of Birds, Butterflies, Reptiles frogs, Medicinal / Restricted / Protected trees and plants as per table depicted below.

		FAUN			FLOR		
Sl no	Particular s of Fauna	No. of Species/Su	Name of Principal Endangered Species	Sl. No.	Particulars of Flor	No. of Species /Found in	
1	Mammals	h- snecies 144	Bharal, Clouded Leopard, Fishing Cat, Golden Cat, Himalayan Thar, Leopard Cat, Red Panda, Marbled Cat, Musk Deer, Nayan of Great Tibetan Sheep, Pangolin, Serow, Snow Leopard, Spotted	1 2 3 4 5 6	Plants	36 Over 5000 362 1 424	
2	Birds	552	Black necked Crane(Migratory), Blood Pheasant, Peafowl, Tibetan Snow	7	Oaks	11	
3	Butterflies	650		8	Bamboos	28	
4	Reptiles	33		9	Tree Ferns	9	
5		16					
6	Fishes	48					

Flora and Fauna Found in Temperate Zone

Sl. No.	Faun	Sl. No.	Flor
1	Common Langur	1	Oak
2	Leopard Cats	2	Cherry
3	Red Panda	3	Alurel
4	Musk Deer	4	Chestnut
5	Himalayan Black Bear	5	Maple
6	Flying Squirrel	6	Birch
7	*Snow Leopard	7	*Rhododendron
8	*Wild Ass		

• Found in the Alpine Region

**Most Popular Orchids in Sikkim** 

Sl. No.	Name of
1	Cymbidiums
2	Vanda
3	Cattaleya
4	Hookeriana
5	Farmeri
6	Dendrobiun Amoenum
7	Noble Orchid (Dendobium Nobile)

#### Rare Birds In Sikkim

Sl. No. Particula  1 Majestic Bearded Vulture – with a wing span of 10 ft.  2 Olive Ground Warbler – just a few inches in length  3 Emerald Dove  4 Fairy Blue Bird  5 King Fisher  6 Ashy Wood Pecker  7 Sultan Tit  8 Emerald Cuckoo  9 Suddy Shelduck – is a migratory bird which visits Sikkim  10 Pheasants – There are a wide variety of Pheasants in various colours and Blood Pheasant is					
2 Olive Ground Warbler – just a few inches in length 3 Emerald Dove 4 Fairy Blue Bird 5 King Fisher 6 Ashy Wood Pecker 7 Sultan Tit 8 Emerald Cuckoo 9 Suddy Shelduck – is a migratory bird which visits Sikkim 10 Pheasants – There are a wide variety of Pheasants in various colours and	Sl. No.				
3 Emerald Dove 4 Fairy Blue Bird 5 King Fisher 6 Ashy Wood Pecker 7 Sultan Tit 8 Emerald Cuckoo 9 Suddy Shelduck – is a migratory bird which visits Sikkim 10 Pheasants – There are a wide variety of Pheasants in various colours and	1				
4 Fairy Blue Bird 5 King Fisher 6 Ashy Wood Pecker 7 Sultan Tit 8 Emerald Cuckoo 9 Suddy Shelduck – is a migratory bird which visits Sikkim 10 Pheasants – There are a wide variety of Pheasants in various colours and	2	Olive Ground Warbler – just a few inches in length			
5 King Fisher 6 Ashy Wood Pecker 7 Sultan Tit 8 Emerald Cuckoo 9 Suddy Shelduck – is a migratory bird which visits Sikkim 10 Pheasants – There are a wide variety of Pheasants in various colours and	3	Emerald Dove			
6 Ashy Wood Pecker 7 Sultan Tit 8 Emerald Cuckoo 9 Suddy Shelduck – is a migratory bird which visits Sikkim 10 Pheasants – There are a wide variety of Pheasants in various colours and	4	Fairy Blue Bird			
7 Sultan Tit 8 Emerald Cuckoo 9 Suddy Shelduck – is a migratory bird which visits Sikkim 10 Pheasants – There are a wide variety of Pheasants in various colours and	5				
8 Emerald Cuckoo 9 Suddy Shelduck – is a migratory bird which visits Sikkim 10 Pheasants – There are a wide variety of Pheasants in various colours and	6	Ashy Wood Pecker			
<ul> <li>9 Suddy Shelduck – is a migratory bird which visits Sikkim</li> <li>10 Pheasants – There are a wide variety of Pheasants in various colours and</li> </ul>	7	Sultan Tit			
10 Pheasants – There are a wide variety of Pheasants in various colours and	8				
	9				
Blood Pheasant is	10				
		Blood Pheasant is			

### 8. Mines & Minerals:

The state of Sikkim is host to possible resources of ores and minerals. Despite efforts of Department of Mines and Geology, Government of Sikkim and Geological Survey of India, large areas of the state still remains unexplored. From the nineteen sixties into nineteen eighties, Geological Survey of India has conducted investigations for locating occurrences of base metal in Sikkim and Darjeeling Himalayas. Today, in the Himalayas of India, the only working mine producing copper ores is located at Rangpo, Sikkim. A total of 24 base metal occurrences are located in Sikkim.

Distribution pattern of the known occurrences shows that these are concentrated in three clusters, namely (i) Eastern Sector, (ii) Central Sector, (iii) Western Sector. The most important occurrences in the Eastern Sector are Rangpo, Pachekhani and Dikchu, located to the east of the river Teesta. These deposits are mainly strata bound, hosted by the low grade rocks of Gorubathan Formation. In the Central Sector lying between the Teesta river in the East and Little Rangit river in the West a number of occurrences are located to the East of Namchi. In the Western Sector a large number of occurrences are located in the Nayabazar area, many of which were explored in the early part of the century by Burn & Co. and in early 60"s by GSI. Most of these occurrences are Quartz vein hosted now not of any economic significance.

#### **Other Minerals:**

### **Dolomite:**

Both high grade massive and low grade flaggy type of dolomites have been located in Rishi area west of the Jorethang Legship State highway. On the either banks of Rishi Khola. Four blacks of dolomite has been located and in one block a reserve of more than 1.10m down to a depth of 30 m has been estimated by GSI.

### **Limestone:**

Grey limestone interbanded with green phyllitic has been located in Rishi Khola south of Namgaon. At places the band is about 38m thick.

### **Graphite:**

Graphite, lumpy and flaky type with graphite schist, marble and limonitised pegmatite of Chungthang Formation of Darjeeling group has been located at Chitre and Dareli of West District.

### Marble:

Greyish white to creamy white coarse-grained marble bands is reported from 2 Km. Chungthang Formation at Chungthang, Lachung and Tsango.

#### CoaL

Regional Geological exploration by GSI in and around Namchi area of South Districthas established a reserve of 1.4 lakh tones of bituminous to semi-anthracite coal, analyzing 40 to 60% fixed carbon, 4% to 22% ash, 8 to 13 % Volatile matter and 3% moisture. Thin coal seams (1m to 5m) are found to occur on the road linking Legship with Nayabazar and to the south of Put Khola.

However owing to huge amount of loss incurred, commercial production and commercial exploration has been stopped and the state Mining Corporation, Rangpo has been wind up.

#### . TOURISM:

Lately Sikkim has developed into a major tourist destination in the country. Because of prevalence of peace and tranquility in the state in the one hand and the presence of naturally beautiful peaks, valleys, lakes, gardens, flora and fauna on the other, Sikkim has emerged as one of most shot after tourist destinations in the country. Changu lake, Baba Mandir, Nathula Pass, Gangtok Town and Gangtok Ropeway, Rumtek Monastry, Yumthang Valley, Gurudongmar Lake, Pelling Pemayangtse monastery etc. are tha major places of tourist interest in the state. Beside these, creation of tourist destinations likes Guru Padmasambhava Statue and Char Dham near Namchi, South Sikkim and Tathagat sal (Buddha's Statue at Ravangla South Sikkim has also immensely contributed in increasing the tourist inflow in Sikkim. Therefore tourism is one of the major contributors to the economy of Sikkim and this may be one of the reasons for most of the registered units belonging to service sector like hotels, restaurants, travel agencies etc. The year wise figures of arrivals of domestic tourist (including unrecorded 25 %) and foreign tourist since 2005 is depicted in the following table-

Sl.No	Year	Domestic Tourist (	Foreign Tourist	Total
		Including unrecorded		
		25 %)		
1	2005-06	347650	16518	364168
2	2006-07	421943	18049	439992
3	2007-08	465204	17837	483041
4	2008-09	512373	19154	531527
5	2009-10	615628	17730	633358
6	2010-11	700011	20757	720768
7	2011-12	552453	20757	573210
8	2012-13	564777	23624	588401
9	2013-14	540328	40213	580541
10	2014-15*	489167	36016	525183

The data related to hotels & travel agencies registered under the Tourism Department, Govt. of Sikkim during last two years is furnished below-

No. of Hotels registered during 2013- 14	No. of Hotels registered during 2013- 14	Total No. of Hotels registered during 2014- 15 (Cumulative)	No. of Travel Agencies registered during 2013- 14	No. of Travel agencies registered during 2014- 15	Total No. of Travel Agencies registered during 2014- 15 (Cumulative
05	10*	232*	84	65*	582*

\*Till Dec 2014 only

Source - Tourism dept. Govt. of Sikkim

### AGRICULTURE AND HORTICULTURE

It is estimated that eighty percent of the rural population in Sikkim depends on agriculture and allied sectors for economic, food and nutritional security. The economy of Sikkim is linked with agriculture and considered as source of livelihood and economic security of sizeable native population. The agriculture systems practiced in Sikkim are integrated in natures that have evolved through years of experimentation by the farmers. Lately, marginal improvement in the lifestyle of farmers has been witnessed with adoption of modern technologies.

Sikkim state has some inherent strengths that largely supports organic farming. The policies and programmes on organic farming in tune with its natural endowments envisages to make Sikkim a model organic state. With this objective, in the year 2003 a resolution to convert the entire state into an organic state by 2015 was brought in the State legislative Assembly and the stakeholders are putting in all efforts to make it a success. After launching of Sikkim Organic Mission in 2010, various programmes of organic farming are implemented on mission mode and now Sikkim is well known as a total organic state and a pioneer in organic farming in the country as well.

The state is totally hilly and agro-climatic conditions ranges from Sub-tropical to Alpine in upper ridges. Major. Agriculture in the State of Sikkim is practiced under diverse conditions. The region is characterized by large variations in slopes (0-100%) altitudes (300-3000 m above msl) and rainfall (200-400 cm). The soil of entire state is acidic in nature. The above mentioned agro climate factors by and large affect the management and productivity of the crop either in multiple cropping or under mono-cropping system. Moreover, the choice of crop is mostly consumption oriented and system of cultivation has established in low input, low risk, low yield technology because the primitive forms of agriculture is still practiced and largely rain fed. No single crop or a variety is suitable to different elevations.

The principal crops of the state are maize, paddy, wheat, millet, buckwheat, pulses and oilseeds .Large cardamom, ginger and orange are the most important commercial potential crops of Sikkim. Potato, radish, brinjal, tomato, beans, ,peas, mustard, pea, , cucumber, gourds , cauliflower, cabbage etc.are the important vegetables crops grown in the State.

Wide range of fruit crops are grown successfully in the State. The important fruit grown in the state are mandarin orange, banana, guava, papaya, mango peach, plum pears, apple, avocado etc. The state is also rich in genetic diversity of minor or wild fruits. Presently mandarin orange is an important commercial fruit crop of Sikkim. Sikkim

produces 80% of India"s large cardamom which enjoys a high value export market in Pakistan, Singapore and Middle-East. The Sikkimese ginger is also of a good quality and has export prospects. Fruits can be processed for value addition. Exotic flowers can be cultured for export. Honey and tea are other agro-based products that have high potential.

Sikkim also has a large variety of exotic and beautiful flowers, which can earn substantial price in the national and international market. In particular, 550 species of orchids are found which are most beautiful in the world. The climate in some parts of the state is ideal for cultivation of mushrooms and mulberry trees for rearing of silk worm and hence the establishment of a sericulture industry.

In spite of all this, the absence of profitable marketing network and the lack of appropriate processing facilities for manufacturing quality finished products has resulted in most of the produce being sold at uncompetitive prices to other states as raw materials and their true potential has not been exploited. Therefore attention needs to be given for the development of agro-based, food processing and forest based units. The land holding, estimates of production, list of altitude-wise distribution of cultivated fruit crop, Important Fruits, their Area of Cultivation & varieties Grown in Sikkim is depicted in the table below.

**Land Holding** 

Particular	U	North	East	South	West	State
Operational	N	3570	24566	22829	23963	74928
holdings	О					
Area Operated	Hect.	15983.96	29019.6	30140.3	31538.8	1,06,682.7
_			3	2	4	5
Average Area per holding	Hect	4.48	1.18	1.32	1.32	1.42

Revised Estimates of Area, Production and yield of Field corps of Sikkim during 2014-15

Sl.	Cro	Area in 000	Production	Average yield In
No.	р	Hectares	in 000	Kg./Ha.
I.	CEREALS:			
1	Rice	1104	20.07	1817.93
2	Wheat	0.39	0.42	1066.84
3	Maize	39.88	68.89	1727.51
4	Millet	2.96	2.97	
5	Barley	0.49	0.50	1031.13
6	Buckwheat	3.69	3.55	962.60
	TOTAL CEREALS	58.44	96.40	1649.50
II.	PULSES:			
1	Urd	3.23	2.914	902.17
2	Other Pulses	3.03	2.89	955.12
	TOTAL PULSES	6.26	5.81	
	TOTAL FOOD GRAINS	64.70	102.21	1579.67

III	OILSEEDS:			
1	Rapeseeds & Mustard	3.86	3.21	832.38
2	Soya bean	4.06	3.85	949.01
	TOTAL OILSEEDS	7.92	7.07	892.17

# Decimal Mean Area, Production and Productivity under different common crops cultivation in Sikkim (as on 31<sup>st</sup> March 2015) (Area in 000" hectare, Production in 000" tones, Productivity in Kg/Hectare)

CROPS	PARTICULARS	2000-01	2014-15	Gain/Loss in 15
				years (%)
Paddy	AREA	15.22	11.04	-27.46
	PRODUCTION	21.36	20.07	-6.04
	PRODUCTIVITY	1403.43	1817.93	29.53
Wheat	AREA	7.22	0.39	-94.60
	PRODUCTION	10.10	0.42	-95.84
	PRODUCTIVITY	1400.35	1066.84	-23.82
Maize	AREA	39.90	39.88	-0.05
	PRODUCTION	59.61	68.89	15.57
	PRODUCTIVITY	1493.92	1727.51	15.64
Other Cereals	AREA	7.69	7.14	-7.15
(barley, Millet, Buchwheat)	PRODUCTION	6.97	7.02	0.72
,	PRODUCTIVITY	919.27	983.20	6.95
Total Cereals	AREA	70.03	58.44	-16.55
	PRODUCTION	98.05	96.40	-1.68
	PRODUCTIVITY	1400.06	1649.50	17.82
Pulses	AREA	6.03	6.26	3.81
	PRODUCTION	5.17	5.81	12.38
	PRODUCTIVITY	856.57	927.80	8.32
Oil Seeds	AREA	9.99	7.92	-20.72
	PRODUCTION	3.38	7.07	109.17
	PRODUCTIVITY	739.00	892.17	20.73

Source-Agri Census Unit, F S & Agri. Dev Dept. Govt. of Sikkim

# HOUSE HOLD NUMBER, OPERATION HOLDING & CATEGORY OF FARMERS

1	No. of Households in the State	74,928	
2	Total operated Area (Ha)	1,06,682.75	
3	Marginal Farmer ( Below 1.0 Ha)	40,476	54.01%
4	Small Farmer (1.0-2.0 Ha)	16,941	22.60%
5	Medium Farmer (2.0 – 10.0 Ha)	16,731	22.33%
6	Large Farmer (10.0 & above Ha )	780	1.06%

### LAND USE & STATISTICS

1	Net Area Sown (Ha)	77,408.82
2	Area under current fallow (Ha)	5,545.51
3	Culturable Waste (Ha)	3310.42
4	Land not available for cultivation (Ha)	12,651.73
5	Fallow other than current fallow (Ha)	7,766.27

### ORGANIC CERTIFICATION

1	Area for Organic Certification	58,000 ha
2	Agriculture Area Certified	8,128 ha
3	Cardamom Area Certified	3,100 ha
4	C2 Certification Completed	18,000 ha
5	C1 Certification Completed	18,000 ha (Rest area under process)

Source- Annual Report 2012-13-F S & Agri Dev. Dept.

The list of altitude-wise distribution of cultivated fruit crop is given below.

Altitude	Crops
250-1000m msl	Banana, Mango, Papaya, Guava, Litchi, Sapota, Jack Fruit,
	Limes and
	Lemons, Mosambi
1000-1500 msl	Mandarin, Orange, Pomegranate, Avocado, Guava,
	Banana, Low
	Chilling Peach, Plum and Pear, Passion fruit and
1500-2000 msl	Peach, Plum, Pear, Low chilling apple, Kiwi fruit,
	Passion fruit,
	Walnut etc.
2000-4000 msl	Apple, Apricot, Plum, Peanut, Walnut, Almong etc.

Important Fruits, their Area of Cultivation & varieties Grown in Sikkim

Crops	Location	Varietie	Technology needed
Apple	Lachung	King of Pippen, Coxy	Subject to management
	Lachen	Jonathan, Delicious	of
Guava	Mazhitar & up	L-49	Management of Cuava
	to	Allahabad Safeda	Canker
Mango	Lower/Foothills	Mallika, Amrapali	Management of Gall
	of	Desheri, Lungra	Mildge
	Sikkim(Dry areas)		and Stone beevil
Banana	Foot hills and	Cavendish group and	500g. urea, 750g ssp, 500
	(Water	Nepali	g MOP per clump/year
Peach	Sub-temperate	Cowford, Alexander	Area where no
			hailstorm in
Plum	Sub-temperate areas		Same as above
		Dufy	
		early June, Doris,	~
Strawberry	Sub-tropical	Tioga,	Can be intercropped
	&	Majestic,	with
Kiwi Fruit	Sub-tropical	Bruno,	At 1333-1515m
	&	Allison	(Under Study)
Avocado	Mid hills up to	Mexican &	Maturity to be standardized
	1333m	Guatemalan	

Source: Annual Report F S & Agri Dev. Dept.

The state agriculture is predominantly dependent upon rain fed cultivation and giving more priority to mixed cropping. Now since 2003 onward Sikkim has been declared as the state heading towards organic farming and it has been proposed to declare Sikkim as a organic state by January 2016. The state is basically an agrarian where majority of the population depended upon agriculture for their livelihood. Out of total area of 709600 ha about 1,10,000 is under operational holdings and the net cultivated area is estimated to be around 79,000 hectare (11.13 % )of the geographical area It has become a back bone of state economy representing about a third of state strong gross domestic product.

### ANIMAL HUSBANDRY AND VETERINARY SERVICES

Crop and animal production systems occupy important positions in the food chain. Animal Husbandry provides the only source of supplement income to the families. Through this sector provides a secondary source of income to the local people get its role as a primary source of income assuming importance the livelihood to the rural poor. There are good prospects for setting up diary and animal husbandry units on a commercial basis. Milk production offers opportunities for developing processed food products like cheese butter etc. The population being predominantly non-vegetarian, meat processing and packaging units offers promise in the state. It will be of interest to note that Angora Breeding, which was tried in Sikkim on an experimental basis some years back has proved highly successful with more entrepreneurs. Some even in the remote regions of North Sikkim getting drawn to the trade.

Due to mountainous terrain only 11% of the total area of 7096 sq. km. is available for livestock farming as 90% or 3.35 population are cattle, goat, pigs, sheep, poultry and yak in small numbers and utilize the forest for fodder. The present rural livelihood system is well balanced from ecological point of view however with the increase in population and the limited availability of land (as 70% of the land holding in Sikkim are less than 2 hectares) there is already great pressure. So to reduce the pressure on the cultivable land and to improve the fodder and gazing conditions the following activities are being taken:

- Development of pasture and gazing grounds.
- Introduction and implementation of extensive trials of temperate and tropical species of grasses and legumes.
- Conservation of surplus fodder.

Also in order to increase fodder production and at the same time to ensure that deforestation is prevented the Forest Deptt., Govt. of Sikkim has mooted a proposal for setting up of committees at the Village, District and at the sate level consisting of representative of Forest, Animal Husbandry & Agriculture Department besides farmers. The main function of these committee would be to develop the wastelands for augmenting fodder production.

Farmers still follow old traditional practices. Scientific techniques have not been introduced to improve productivity and to prevent the spread of diseases. The lack of trained technical people in this sector continues to constrain the diffusion of the best practices.

Animal health services are still on the development phase, inadequate.. There are not enough health care services centers and no disease investigation laboratories in the district. Most polyclinic have inadequate facilities and there is shortage of technically trained manpower to run the centers.

The procurement and marketing of animal products is inadequate. Milk production is particular is extremely low and the Sikkim Milk Union would have to double the quantity of Milk processed to break even. Poor road conditions is also a constrain in the transportation of Milk from the producing to the processing and consuming centers.

The district wise number of Dairy Plant and their capacities, Fodder availability and its requirement, Total Numbers of Veterinary Institution – District Wise and Quinquennial Livestock and Poultry Census in Sikkim State is depicted in the table

The district wise number of Dairy Plant and their capacities in the State

Sl. No.	District	No. of Dairy Plant/Capacity	Chilling Plant
1.	East	1 10,000 L.P.D.	
2.	West	1, 2000 L.P.D.	
3.	South	1, 5000 L. P. D.	
4.	North	25,000 L. P. D. & 1,030 L. P.	Chilling Plant at Kabi

**Total Numbers of Veterinary Institution – District Wise** 

Sl.	Particula	East	West	North	South	Total
No.	rs					
1.	Vety Polyclinic	1	-	-	-	1
2.	Veterinary Hospital	4	3	4	2	13
4.	Veterinary Dispensary	13	13	4	12	42
5.	Stockman Center	25	19	7	21	72
	. A. I. Centre	43	41	9		123
7.	Rinderpest Check Post	2	1	-	1	4
8.	Poultry Breeding Farms	-	1	-	1	2
9.	Rabbit Breeding Farm	1	1	-	1	3
10.	Registered Slaughter House	1	1	1	1	4
11.	Pig Breeding Farm	-	2	2	1	5
12.	Yak Breeding Farm	-	-	1	-	-
16.	Milk Processing Plant	1	-	2	1	4
17.	Milk Chilling Plant	-	-	3	-	3

**Ouinquennial Livestock and Poultry Census in Sikkim State** 

Quinquenniai Livestock and Poultry Census in Sikkim State					
Livestoc	Mal	Female	Total		
Cattle (Crossed)		37806	52303		
Cattle (Indigenous	41407	49314	90721		
Total Cattle	55904	87120	143024		
Buffaloes	505	146	1970		
Yaks	185	293	4781		
Total Bovine	58260	91515	149775		
Rabbits	168	189	357		
Sheep (Crossed)	358	372	730		
Sheep (Indigenous)	221	208	4293		
Total Sheep	256	245	5023		
Goat	38567	44371	82938		
Horses & Ponies	449	942	5436		
Mules			64		
Donkeys	22	35	57		
Total Mules & Donkeys			121		
Pigs (Crossbred/Exotic)	913	286	12000		
Pigs (Indigenous)	10055	490	14975		
Total Pigs	19192	776	26975		
Dogs	16568	699	23558		
Poultr	Desi	Improved	Total		
Fowls	169043	50509	219552		
Ducks	151	289	1806		
Turkey Quils			48		
Total Poultry			221406		

Source – 18<sup>th</sup> Livestock Census Report

### **HEALTH & FAMILY WELFARE**

The department of Health and Family Welfare is instrumental and responsible for implementation of various national programmes in the areas of health and family welfare as well as prevention and control of communicable diseases. All schemes related to health and family welfare sector are continued to be implemented in the State through a network of 146 Primary Health Sub-Centers (PHSC), 24 Primary Health Centers (PHC), 2 Community Health Centers (CHC), 4 District Hospitals and one 300 bedded State Referral Hospital (STNM) at the State Capital, Gangtok. A 500 bedded Central Referral Hospital –cum – Medical College set up in collaboration with the Manipal Pai Foundation Group under private management has also been functioning in the State.

The Department has made rapid progress in expanding overall health infrastructure as well as trained manpower in the State. The Department, headed by a Director General – cum-Secretary to the Government is manned as on 31-08-2014, by 281 Doctors including Specialists/ Chief consultants/ consultants in different medical science, 42 dentists, 780 Nursing personnel's 519 paramedical ( Gr A,B & C) and other staff. Out of the 319 numbers of doctors and dentists, 133 doctors/ specialist and 18 dentists have been posted in the State Referral Hospital (STNM) Gangtok. The rest of doctors have been posted in PHCs, CHCs District Hospitals and some of them have been made in charge of administration and programme Officers of various National Programmes. The infrastructure of Health Institutions is depicted in the table below

No. of Health Institutions In Sikkim

Sl. No.	Health Institutions	East	West	North	South	State
1	State Referral Hospital/STNM Hospital	1	-	-	-	1
2	District Hospitals	1	1	1	1	4
2	Community Health Center	1	-	-	1	2
3	Primary Health Center	6	7	5	6	24
4	Primary Health Sub-Center	48	41	18	39	146
5	Central Referral Hospital, (Manipal Tadong Private)	1	-	-	-	1
6	District Tuberculosis Centre, Namchi, S. Sikkim	-	-	-	1	1

Source: Annual Report 2013-14 of Health & Family Welfare Deptt. Govt. of Sikkim

The Department has made rapid progress in expanding overall infrastructures as well as trained manpower in the state. The National Rural Health Mission (NRHM) has been under vigorous implementation in the State since April 2005. The impact of the Mission is being seen in terms of improved quality and coverage of health care which has resulted in a rapid fall in Crude Death Rate (CDR) from 6.9 in 1995 to 5.2 in 2013. There is considerable improvement in the Infant Mortality Rate as it stands at 22 per 1000 live births against all India figure of 40 during 2013.

### **POWER INFRASTRUCTURE**

The sate of Sikkim is blessed with tremendous hydroelectric power potential that has been worked out at 8000 MW Peak and a firm base of 3000 MW. Approximately seventy miles North East stretch of Sikkimese territory possesses a land gradient that lies roughly between 500 feet to 28,000 feet above mean sea level. Due to this amazing terrain Sikkim houses some of the most turbulent and swiftest rivulets in the world that is best suited for harnessing hydel power potential.

Hydro Power Plants are designed based on the water discharge in a river. During monsoon the discharge is very high and during the lean period the discharge is much less. At the same time the discharge of rivers keep changing over a series of years due to various reasons depending upon their source, nature of catchment area, soil and structure or riverbed and rains etc. Calculation of water power reserves is usually based on 95% or 50% dependable discharge. All hydel project in the state being run of the river ones, there is no room for spinning reserve, which means the generation capacity during the winter months cannot be raised more than half the generation capacity. Besides like the Diesel Engines, where the decompression due to wear and tear causes de-ration of capacity, hydro-turbines also follow the same rule and unless these machines are maintained as per set routine, they become sluggish affecting the generation capacity adversely. As such, it is very important that all the civil structures right from intake weir to tailrace including hydro-mechanical parts are maintained and re-strengthened periodically thereby giving them a new lease of life.

The state manages partially only to meet its base load demand from its run-of-theriver hydel power plants. Unlike other mode of generating stations like Thermal, Diesel, Gas or Nuclear, which run on fuel, the hydro generating stations run on availability of water. Quality and quantity of water running the turbines play an important role on its life and output of the machine respectively. As for example, a Diesel engine requires more fuel to run on higher load than at lesser load, the hydro generating sets also require more water to run the turbine at higher load profile.

But the department is not in a position to attend to the routine maintenance and periodical renovation on all the installations owned by the Department due to the reasons like unproductive expenses on wages and salaries and huge pending liabilities, which have been brought to the knowledge of the Government.

		N	Revenue collection				
District	Domestic	Commercia	al				(Rs in lakhs)
		Commercial	HTS	LTIS	BS	TOTAL	
East	34253	5154	139	128	124	5545	4327.78
West	13661	740	7	18	348	1113	131.22
North	6115	667	8	1	65	741	261.49
South	19453	2527	53	66	77	2723	654.31
Total	73482	9088	207	213	614	10122	5374.8

Source: Sikkim Statistical Profile

### **Hydel Project at Teesta Region**

The Teesta amd Rangit valleys can offer a magnificent model to develop all resources under one comprehensive programme. We all believe in stable economy supported by strong self generating resources. Sikkim has a very good option to use waters of the Teesta, Rangit and their tributaries for generation of electricity and other uses. Sikkim is drained by a large number of perennial rivers, the prominent ones being the Teesta and the Rangit. The Teesta descends from an elevation of about 3600m to about 300m over a distance of 175km. The Teesta could be harnessed for power generation in six stages.

Hydro-power is renewable, economic, non-polluting and environmentally benign source of energy. It has inherent ability for instantaneous starting, stopping, load variations etc. and help in improving reliability of power system such as no fuel cost as it is a non consumptive use of water; best choice for meeting the peak demand; inflation free and cost of generation reduces with time.

The entire Teesta and Rangit river basins warrant a unified resource development programme. It could help to do more together than their efforts could possibly accomplish separately. Hydropower development in the plains involves construction of huge dams, displacement of habitats and submergence of land and properties. Whereas in the hills it is very simple and they are environment friendly. The projects in the Teesta cascade are all underground except the diversion dam, which hardly involve displacement and submergence. Rangit HE Project (60 MW) is in operation and 510 MW Teesta HE Project Stage-V is is commissioned by NHPC under central sector. Central Water Commission is engaged in investigation of Rangit Stage-II and IV. Total Hydro-power generated by the State sector during 2010-11 is depicted in the table below-

Sl.No	Name of the	Installed	Gross	Auxilliary	Net	Remarks
	Projects	Capacity	generation	Consuption	Generation	
		(MW)	(MU)		(MU)	
1	LLHP	2x6.00	24.195	0.0573	24.1374	
2	JPH	6x0.35	3.163	0.0342	3.1285	
3	RIMBI-I	3x0.20	0.165	0.0033	0.1613	
4	RIMBI-II	2x0.50	0.415	0.0023	0.4123	
5	ROTHAK	2x0.10	0	0	0	Power
						house
						abandoned
6	Rongnichu	5x0.50	0.854	0.0117	0.8423	
7	Chaten	2x0.50	0	0	0	Power
						house
						abandoned
8	Meyongchu	2 x 2.00	6.589	0.0054	6.5832	
9	URHP	4 x 2.00	0	0	0	No
						generation
10	Kalez	2 x 1.00	0.76	0.0042	0.7562	
11	Lachung	2 x 0.10	1.025	0.0123	1.0125	
12	Rabomchu	2 x 1.50	3.522	0.0089	3.5131	
13	DPH	4 x 1.00	0.153	0	0.153	
	Gangtok					
14	DPH LLHP	4 x 0.248	0.001	0	0.0007	
	Ranipool					
	Total	41.892	40.84	0.1396	40.7007	

Source- State statistical Profile

Power Sector is the key input to the economic sustenance of any State. Sikkim is no exception in this, largely because here Power Industry, unlike other Industries, is not only the propelling instrument but in itself a revenue generating sector for this tiny state. The land locked hilly terrains marred with long rainy season may be inhibiting factors for the growth of industrial developments, but the same two natural features bestow the state a concentration of hydro potential.

Though the first generating unit was installed in the State as early as in 27th May, 1927, it was only in 1962 that the electricity was made available to the general public in Gangtok. In the meanwhile, the demand started growing at a rather slow pace and the State Government added some meager capacity by installing DG sets and micro hydel units progressively. In 1979-82, when 12 MW LLHP was commissioned, the state could take up

Rural Electrification Schemes, thereby more villages were electrified and the demand started growing. At present the peak load during winter is of the order of 61 MW and it is expected to grow rapidly.

With the launching of liberalized power policy by the Government of India and the opening of the sector for private developers, Sikkim is poised to gain in a big way and is looking forward to earn significant revenue by exploiting its huge potential, which is assessed at 8000 MW seasonal with a firm base of 3000 MW. Details of hydro electric projects allotted to different private and public sectors as on March 2011 is given in the following table

Sl.No	Name of the Project	Туре	Name of agency	Installed Capacity (MW) 320	Whether JV
1	Teesta Stage-I	ROR	Himalayan Green Energy Pvt. Ltd.	320	Yes
2	Teesta Stage-II		Him Urja Infra Pvt. Ltd.	330	Yes
3	Teesta Stage-III		Teesta Ürja Pvt. Ltd.	1200	Yes
4	Teesta Stage-IV		NHPC Ltd.	520	
5	Teesta Stage-V		NHPC Ltd.	510	
6	Teesta Stage-VI		LANCO Energy Pvt. Ltd.	500	Yes
7	Lachen HEP		NHPC Ltd.	210	
8	Panam HEP		Himgiri Hydra Energy Pvt. Ltd.	300	Yes
9	Lachung HEP		Lachung Power Pvt. Ltd.	99	
10	Bhimkyong HEP		Teesta Power Pvt. Ltd.	99	
11	Bop HEP		Chungthang Power Pvt. Ltd.	99	
12	Dikchu HEP		Sneha Kinetic Power Corporation	96	
13	Rongnichu HEP		Madhya Bharat Power Corporation	96	
14	Chujachen HEP		Gati Infrastructure Ltd.	99	Yes
15	Bhasmev HEP		Gati Infrastructure Ltd	51	Yes
16	Sada Mangder HEP		Gati Infrastructure Ltd	71	Yes
17	Lethang HEP		KHC Lethang Hydro Project Pvt. Ltd	96	Yes
18	Ting Ting HEP		T T Energy Pvt. Ltd	99	
19	Tashiding HEP		Singa Energy Pvt. Ltd.	97	
20	Kalez Khola –I HEP		Cosmic Infrapowergen Pvt. Ltd.	27.5	Yes
21	Kalez Khola –II HEP		Pentacle Power Pvt. Ltd	54	Yes
22	Rangit –V HEP		Sikkim Hydro Ventures Ltd.	66	
23	Rangit – III HEP		NHPC Ltd	60	
24	Rangit – IV HEP		Jal Power Corporation Ltd.	120	Yes
25	Jorethang Loop HEP		Dans Energy Pvt. Ltd. Green Lake Power Dev.	96	
26	Jorethang Loop HEP Recu HE Ph		Ltd.	22	
27	Nathangchu HEP		Cosmic Infrapower Gen Pvt. Ltd.	30	Yes
28	Tsangu HEP		Cosmic Infrapower Gen Pvt. Ltd.	30	Yes
29	Rahikyong		Sikkim Engineering Pvt. Ltd.	25	Yes

Source- Sikkim Statistical Profile 2011-12

### TRANSPORT AND COMMUNICATION

#### Road:

Transport and communication is one of the most important factors for industrial development and economic progress of s State especially in a hilly region like Sikkim. rail network or commercial air services means that motor transport is the only means of transport. And among the roads, there is heavy dependence on a single highway – National Highway – 31 A (NH-31(A)) of 41 Kms is Sikkim"s main transport link with rest of the country and the world for that matter. Any major disruption on NH-31 A cuts Sikkim"s only link with the world. Other than NH - 31 A, the entire road network of the State comprises of Border Roads, State highway, major district road, other district roads, Other roads, & PMGSY roads. Border roads and National Highway are maintained by BRO, Besides the Border roads and National Highway under BRO total Roads in Sikkim as on 31<sup>st</sup> March 2011 is 2074.55 and is maintained by Department of Road & Bridges, Govt. of Sikkim.. The total roads of 2074.55 kms maintained by the State Government includes 203.03 kms of State Highway, 740.15 kms of Major District Roads and 861.65 kms of other District Roads, 238.37 Kms of Other roads and 31.35 Kms of New cutting. Construction of roads under PMGSY is under the supervision of Rural Management & Development Department and total length of roads constructed under this programme till June 2012 is 1007.6 Kms.

### **Registration Of Motor Vehicles**:

A total of 3215 numbers. of vehicles has been registered in the state of Sikkim till March 2015 . The different categories of vehicles registered in the east district is depicted in the table below-

Sl. No.	Category of Vehicle	Numbers
1	Two wheelers	592
2	Non Commercial vehicles	1706
3	Tractors and other vehicles not for goods & passenger	11
4	Goods carrier vehicles	265
5	Contract / Stage Carriage Jeep	268
6	Other, if any	3373
	Total	3215

Source- STA, Transport Dept. Govt. Sikkim

Transport in the state has been nationalized since 1954 and is being looked after by Sikkim Nationalized Transport (SNT) Division of Transport Department, Government of Sikkim. The booking facility are available of Siliguri and Gangtok, Jorethang, Namchi Gyalshing, Mangan. The SNT Deptt.. Over the years the fleet strength of SNT has dwindled considerably .During peak period of 1992-93, SNT had 148 buses and 189 trucks/tankers. This

fleet strength stood at 85 buses and 42 trucks & 30 tankers during the financial year 2014-15. The operational aspects of SNT division during 2014-15 is shown in the table given below:

Operational Particulars of Sikkim Nationalized Transport: As on Dec. 2013

Sl. No.	<b>Particulars</b>	Unit	2014-15
1	Division	Nos	7
2	Depots (Including Bus Stns)	Nos	7
3	Routes Operated (Bus)	Nos	48
4	Total Numbers of Trucks	Nos.	42
5	Total Numbers of Tankers	Nos.	30
6	Total Numbers of Buses	Nos.	85
7	Revenue Generated	Rs	309224938

Source: SNT Div. Transport Dept,

Govt. of Sikkim

The topography and climate of the region makes the terrain vulnerable to landslides and erosion hence the road are inconstant need of repair. While the climate and terrain make road maintenance on going and expensive exercise, timely maintenance can save a lot of work and money in the long run. In many places, the rubble has been cleared to the extent that traffic can squeeze through. This makes the journey into and out of the state time consuming, arduous and dangerous in places.

#### Railway:

Presently, there is no rail facility in the State. The nearest railway stations is Siliguri and the nearest major railway station is New Jalpaiguri in West Bengal which are 114 kms and 125 kms respectively. Computerised passenger reservation facility is operational in Gangtok, Singtam, Jorethang and Mangan. However, there is a plan to open a rail link from Rangpo in Sikkim to Siliguri in west Bengal thereby joining Sikkim to the rest of the national railway network. Although the foundation stone laying ceremony has already been held at Rangpo when Ms Mamta Banerjee, was Minister of Railways but the wok has not been started yet..

#### **Air Services:**

Till date there is no airport in Sikkim but the construction of a green field airport has started at Pakyong, East Sikkim is likely to be completed by 2016. The nearest airport is Bagdogra in North Bengal, which is approximately 4 hours drive from Gangtok. Also there is a regular 5-seater helicopter service from Gangtok to Bagdogra air port, which is 130 kms

#### **Communication:**

The communication system in the State has gained in a rapid pace for the last few years. BSNL in Sikkim has taken appreciable efforts in making Sikkim as a model telecom state having the highest tele-density, widest coverage of telecom facilities, providing indirect employment to the youth through cyber cafe and STD/ISD booth, providing telecom facilities in remote corner of the State laying optical fiber cable in the most difficult terrain of the country against the minimum telecom facilities some years back. There has been induction of the entire new technology equipment internet node in all the district headquarters at sufficient speed. Optical fiber in almost all the telephone exchanges coverage area of telecommunication to the remote villages, very less STD ISD rates, timely billing and customer care has really given an impetuous in development of business, education efficiency of the employees, convenience to people of Sikkim and it is really giving boost to the tourism in the state of Sikkim and it has really given boost to the tourism in the State of Sikkim. In addition to landlines BSNL has also provided mobile and WLL services.

Distribution of Telephone Exchange in the Four District of Sikkim as on Dec 2014

	Rural	Urban	Total
Telephone Connections	2605	8121	10726
Telephone Exchanges	37	10	47
Village Public Telephone	230	-	230
Land Line PCO	-	-	213
Total Mobile Connections	onnections 50,000 (Approx) under BSNL Sikkim		

Source: BSNL, Gangtok

#### **Postal Services:**

Office of the Director of Postal Service, Sikkim State is located in Gangtok. The network of postal services in Sikkim as on 31.03.2013 is depicted in the following table-

1	Head Post Office	1
2	Delivery Sub-Post Office	18 (including one LSG)
3	Non-Delivery Sub Post Office	4
4	Gramin Dak Ghar Branch Post Office	186
	Total	209

Source: Director, Postal Services, Govt. of India, Gangtok

The postal services has special facilities of speed post, multi-purpose counter machines, Head Post Office, Gangtok has a VSAT for quick transmission and payment of Money orders and electronic mail facilities of Western Union Money Transfer for international Money Payments.

#### **EDUCATIONAL FACILITIES IN THE STATE**

Education Department is a social sector unit which may not contribute directly to the economic development of the State but has a pivotal role to play in the development of human resource and skills leading to generation of active and productive citizens who are able to contribute to the socio-economic progress and lead to the improvement in the level of living standard of the people. Realizing this fact, the 86<sup>th</sup> Amendment to the Constitution of India guarantees Education as a fundamental right of every child in the country.

Sikkim too, has defined its role in development of educational system in the recent times with emphasis on delivery of quality education on its children.

In an all out effort to improve the quality of life of the people, the State Government has taken major steps to improve the quality of Education by making the Education setup more purposeful and relevant to the changing times. A school now exists within walking distance of a child. Free textbooks, free uniforms including school shoes and bags, free mid-day meals, to children up to Class V, free boarding and special scholarships for those pursuing higher studies are some of the other educational facilities enjoyed by the children of the State. Free text books are provided to the students upto class XI. Beside these during the year 2013-14 Govt. fo Sikkim has started a ambitious project of providing free laptops to all the students from class XI to college level. School have been better equipped with modern science equipments, qualified teachers, sports facilities, new technologies like radio-cum-cassette players, TV & VCR, film projectors and other corresponding educational software. Intensive efforts are being made to produce young men and women of character, ability and expertise committed to the service and development of community signifying quality education.

As on 31.03.2012 Sikkim today boasts of having one Central University, one Medical College, one Engineering College, one Pharmacy Institute, three Polytechnique Institutes, and other colleges, computer institutes and schools.

**Educational Institutions in Sikkim: Higher Education (Government Colleges)** 

Sl. No.	Name of the
1	Sikkim Government College, Tadong, Gangtok/2 <sup>nd</sup> Campus Burtuk East Sikkim
2	Rhenock Govt. College, Rhenock, East Sikkim
3	Sanskrit Mahavidhayalaya,Samdong East Sikkim
4	Sikkim Government College, Namchi, South Sikkim
5	Sikkim Government Law College, Gangtok
6	Sikkim Govt. College Gyalshing, West Sikkim
6	Sheda (Buddhist Education) Institution of Tibetology, Deorali, Gangtok
7	Industrial Training Institutes, Rangpo, Namchi and Gyalshing
8	Research Institute of Tibetology, Gangtok
9	College of Agricultural Engineering & post Harvest Technology, Ranipool (Central govt.)
10	Advance Technical Training Centre, Bardang, (Polytechnic)
11	Centre for Computers & Communications Technology ( Polytechnic) Namchi
12	Institute of Hotel Management, Catering Technology & Applied Nutrition, Gangtok
13	Sikim Government B.Ed College Soreng, West sikkim

**Educational Institutions in Sikkim: Higher Education (Private Colleges)** 

Sl. No.	Name of the Institution
1	Loyola College of Education, Namchi (South Sikkim) (Missionary Institute)
2	Damber Singh College, 6 <sup>th</sup> Mile Tadong, Gangtok
3	Harkamaya college of Education, 6 <sup>th</sup> Mile Tadong, Gangtok
4	Sikkim Manipal University of Health, Medical & Technological Science, Tadong, Gangtok
5	Sikkim Manipal Institute of Technology, Majhitar, Rangpo
6	The Himalayan Pharmacy Institute, Rangpo
7	Institute of Chartered Financial Analysts of India, Gangtok
8	Palatine College, Pakyong, East Sikkim

#### **Universities in Sikkim:**

	Name of the University	Type of the University
1	SikkimUniversity, 6 <sup>th</sup> Mile Tadong, Gangtok	(Govt.) Central University
2	Sikkim Manipal University, Majhitar, Rangpo	Private
3	Vinayak Mission Sikkim University, Tadong, Gangtok	Private
4	ICFAI University, Gangtok	Private
5	EIILM University, Jorethang, South Sikkim	Private

#### Number of Schools (District Wise) as on 31-01-2015

District	Sr. Sec.	Secondary	Jr. H. S.	Primary
North	5	11	17	44
South	17	32	60	120
East	24	37	63	109
West	18	33	44	133
TOTAL	64	113	184	406

Source -HRD Department, Govt. of Sikkim

#### STATE INSTITUTE OF CAPACITY BUILDING-

As per the Cabinet Memorandum No. 417/GOS/DOP/CB-108/09 dated 17.11.2009, the Government of Sikkim, in principle has approved for establishment of State Institute of Capacity Building (SICB) at Karfectar, South Sikkim to fabricate skilled man power for our State. The Institution has taken over the RAC (Regional Administrative Centre) Karfectar on 25th November 2009. The SICB was inaugurated on 10th December 2009 by Hon'ble Chief Minister in a function organised for this purpose.

The establishment of a full fledged State Institute of Capacity Building at Karfectar, Jorethang with the purpose of imparting training, transfer of knowledge and building stronger capacities of the unemployed youth is perceived with a visionary intent.

The past experience analysis and the general trend of unemployment in the State reveals that a vast array of training options has to be made available for the educated unemployed youth. This Institute a centre for youth to learn about their strengths and needs, to prepare for successful and fulfilling lives as adults, make choices about their futures and take up related training after which they may be able to build their careers. In a way this Institute is catering to the needs of youth development which would include strategies related to academic development, delivering quality and standards based training, work skills, and core values.

The objective is to create highly skilled workforce empowered with improved skills, knowledge and equipped themselves for earning their livelihood. It aims to increase the productivity of workforce both in the organized and the unorganized sectors, seeking increased participation of youth, women and other disadvantaged sections and to synergize efforts of various sectors and reform the present system.

This Institute caters to all the services that will align the various capacity building and youth development system, so that the youth of Sikkim are better prepared for promising careers and post school & College options. This Institute shall identify existing capacity building resource institutes and entities and experts within the country and even overseas and establish appropriate national/international linkages and network which may help in addressing proper and successful transitional needs of the youth of the State.

In the initial stage, this institute has introduced pilot programs, the experience of which will be examined and on, the basis of which extended programs shall be introduced. As regards the quality of the program, the Institute has designed courses in such a way as to ensure the quality of content, including practical training and effective modes of delivery and on —the- job training etc. This institution has established counseling and placement cell to assist students to make right educational and vocational choices. Apart from assisting trainees, the institution shall remain in close contact with employing establishments for job placements of trainees.

The Institution, in view of the Government policy under Chief Minister's Youth Empowerment Scheme selects training Partners /Institutions of repute based on parameters of recognition and accreditation of National and State bodies, experience, past performance and placement records, viability of records etc.. The institute awards Certificate of Competency on successful completion of the course based on actual testing of skills that a student has attained by administering tests/examinations as required under accreditation regulations of Indira Gandhi National Open University and State Board of Livelihood Schools.

In other hand, the Institute is in process of acquiring affiliation of reputed, leading and recognized National and International Education and Training Organizations and the certificates thus issued to its trainees are nationally and internationally recognized. With the setting up of this Institute, the State will make significant inroads in the growing high rates of unemployment amongst the youth of Sikkim. It will truly build self reliance in our youth who have imbibed values, life skills, and livelihood capabilities and are knowledgeable and assertive in demanding their rights in the work place – "Empowerment".

The Institute shall in its fold cater to all categories of youth from School Leavers, Youth with different types of physical disabilities, to rural youth and urban youth. The establishment of this Institute is an inclusive policy of the State Government that focuses on holistic development of young people that will shape up their future. It is integrated into the Government's policy planning frameworks, both in terms of strategic planning and resource allocation under Chief Minister's Youth Empowerment Scheme. The integration would prioritize youth development and ensure its implementation and to see that the Government's INTENT becomes a reality.

#### **Concept of Livelihood School:**

In these schools the capacities of the unemployed are to be developed to enable them to sustain themselves economically and it is the first such scheme in the country. These schools are helping the unemployed youths of State to groom their talents so as to imbibe in them the ability to harness their skills and become self- reliant. The Government Policy is to give preference to local resources and utilize the services of from all sectors and within the Government Sector.

All the 32 Livelihood schools will work under State Institute of Capacity Building, Karfectar, South Sikkim. The Institute and all Livelihood School will be Governed by a Examining cum

affiliating Board i.e. STATE BOARD OF LIVELIHOOD SCHOOL, SIKKIM (SBLSS) which has been notified vide Notification No. 246/GEN/DOP dated 09.04.2010, Government of Sikkim. The institute and Livelihood Schools have become centers for youth to learn about their strengths and needs, to prepare for successful lives as adults, make choices about their futures and take up related training after which they may be able to build their careers. In a way this Institute will cater to the needs of youth development which would include strategies related to academic development, delivering quality and standard based training, work skills and core value.

#### **Focused Areas of SICB**

- i. Builds knowledge related principles, process and method of promoting livelihood of disadvantages section of the society;
- ii. Develops training modules;
- iii. Conduct centralized examination systems and award of certificates;
- iv. Affiliation of all livelihood Schools:
- v. Monitoring of all Livelihood Schools;
- vi. Monitoring the activities of State Board of Livelihood Schools;
- vii. Training of Trainers (TOT);
- viii. Synergies capacity for market linkage;
  - ix. Creation of Placement Cell;
  - x. Online connection with all Livelihood Schools through Management Information System (MIS) software;
  - xi. Encourage good practices;
- xii. Collaboration with reputed Institutions;
- xiii. Partnership with successful identified local livelihood practitioners;
- xiv. Creation of Counseling-cum-Opportunity Cell,
- xv. Convergence with other Schemes of State and Central Government.

xvi.

#### SKILL DEVELOPMENT IN SIKKIM UNDER SICB•

Skill Development programmes were initiated by Govt. of Sikkim in the year 2004-05 with directions to all the line departments to impart skill development trainings in their respective sectors to unemployed youth. Two percent of plan budget of each line departments was earmarked for organizing such trainings. With a view to create a single window agency for skill development, a separate Directorate of Capacity Building under Department of Personnel was established in August 2007 and brought under Labour Department in April 2011 and subsequently under Human Resource Development Department in july 2013. The basic objective and function of this Directorate is to organize and sponsor vocational trainings to educated unemployed youth within and outside the state. Since its inception in 2007 till the end of 2010-11, the Directorate has provided various vocational trainings to 1487 beneficiaries at a cost of Rs 1171.28 lakhs with an average expenditure of Rs 78768.00 per trainee. However at present the is no longer organizing any training programmes and functioning as a administrative unit as a separate institution called State Institute of Capacity Building with its headquarter at Regional Administrative Centre, Karfectar, Jorethang South Sikkim has established in the year 2009. The State Institute of Capacity Building functions through a network of 43 Livelihood Schools located in all 31 territorial Assembly constituencies. These livelihood schools impart trainings on different vocations/skills The subjects/skills covered under trainings programmes provided in these schools are – /vocations Medicinal Plants Farming, Floriculture, Horticulture Livestock Farming Security Guards Computer Software & Hardware, Hospitality, Travel & Tourism Foreign Languages, Driving cum Tourist Guide, Beauty & Spa, Traditional Crafts Shop Management, Construction Techniques, Auto Repairing Souvenir Making, White Gadget Repairing Apparel Designing/Making Land Survey. During 11th plan total of 3306 participants were trained at a cost of Rs 2857.25 lakhs with an average expenditure of Rs

86426/- per trainee. Target for 12<sup>th</sup> plan is 9600 participants with an estimated cost of 8905 Lakhs.

#### ON JOB TRAINING/INDUSTRIAL TRAINING CONDUCTED DURING 2014-15:

- A. The Trainees of Namcheybong Livelihood School, East Sikkim for Hospitality Services course were deputed to undergoing six months of Industrial Training programme at various under Sarovar group of Hotels, Hyderabad. The Industrial Training programme is going to end on the 27th of July, 2014. During the programme, Trainees were exposed to all four major departments of a hotel viz. Front Office, Housekeeping, Food and Beverage Service and Food Production (Kitchen).
- B. The Trainees of Gnathong-Machong Livelihood School, East Sikkim forAutomobile Repairing course were deputed to undergo their six months Industrial Training at various workshops located within State. The Trainees were tested on various skills learnt and developed during the Industrial Training. Some of the Trainees were held back at the workshops forobservance till August 2015. If satisfied with their performance, the Trainees would be placed at these workshops.
- C. A group of 32(Thirty two) trainees of Lachen-Mangan Livelihood School, East Sikkim for Hospitality Services Course have been selected and deputed for their 6 (six) months Industrial Training(IT) at The ITC future Landmark, Indore(5 star), Madhya Pradesh(12 girls & 3 boys) and The Golden Palms Resort, Bangalore (4 star), Karnataka (11 girls & 6 boys). The trainees were escorted by the Centre Head and Assistant Trainer of the School on 21st of 8 January, 2015 from Sikkim. The Objective of the Industrial Training (IT) was to train them in all the four major operational departments of a hotel viz. Front Office, House Keeping, Food & Beverage Service & Food & Beverage Production.
- D. A total of 30(Thirty) trainees of Maneybong-Dentam Livelihood School, West Sikkim for Hospitality Services course were deputed to undergo six months of Industrial Training (IT) at Bangalore(22 trainees) and Goa(08 trainees) on the 26th of January 2015 in "The Golden Palms Hotel & Resort", groups of Hotels located at Bangalore and Goa. The trainees were escorted by the Centre Head of the School from Sikkim to the respective hotels. Sixteen trainees (16) joined Mayfair Casino and Spa Resort, Sikkim for undergoing Industrial Training.
- E. The Trainees of Arithang Livelihood School, East Sikkim for Retail Management course were deputed to Big Bazar, Gangtok ("Big Day occasion") to undergo mandatory "On Job Training" (OJT) with effect from 21st January, 2015 to 3rd February, 2015. The objective of OJT was to provide opportunity to the trainees to get acquainted with the real selling skills, dress & grooming, duties and responsibilities with different departments and practical experience. Further, the company appreciated the efforts put in by the trainees and provided certificates to all and reward to selected trainees for their outstanding performance.

#### **Banking, Finance & Insurance**

The involvement of 132 branches of 30 public and private sector Commercial banks in the developmental activities of the State has shown a steady growth. Growing presence of the Public Sector Commercial Banks especially in the rural areas, is expected to lead to a process of consolidation in the banking and financial sector and provide impetus to further growth. Now ,many private sector Banks, are also operational in some urban , semi-urban and rural areas of the State . These banks It has also been allotted respective Service Areas under the Lead Bank scheme and would be participating in the developmental activities of the State. The office of General Manager Reserve Bank India is also functioning Sikkim since 2009.

The network of Nationalised Commercial Bank branches in the State

Sl. No.	Commercial Banks Operating in	No. of Branches of the Bank		
	Sikkim	Total	Rural	Semi-urban
1	State Bank of India	32	28	4
2	Central Bank of India	16	15	1
3	United Commercial Bank (UCO)	5	4	1
4	Canara Bank	8	6	2
5	Vijaya Bank	1	-	1
6	Bank of Baroda	2	1	1
7	Bank of India	2	1	1
8	Union Bank of India	8	7	1
9	Punjab National Bank	1	-	1
10	Oriental Bank of Commerce	3	2	1
11	Axis Bank Ltd.,	5	4	1
12	Corporation Bank	1	-	1
13	HDFC Bank	6	4	2
14	IDBI Bank	4	3	1
15	Allahabad Bank	2	1	1
16	Andhra Bank	1	-	1

17	United Bank of India	3	1	2
18	IndusInd Bank	2	2	-
19	Indian Overseas Bank	3	2	1
20	Syndicate Bank	1	ī	1
21	ICICI Bank	4	2	2
22	Indian Bank	1		1
23	Dena Bank	2	1	1
24	Bank of Maharashtra	1	ī	1
25	Yes Bank	1	Ī	1
26	Punjab & Sind Bank	1	Ī	1
27	Sikkim State Coop. Bank Ltd.	14	13	1
28	Bharatiya Mahila Bank	1	1	1
29	Kotak Mahindra Bank	1	-	1
30	South Indian Bank	1	-	1
	Total	132	96	36

TYPES OF BANKS-

NO. OF BANKS	NO. OF BRANCHES
22	98
7	20
1	14
30	132
	NO. OF BANKS  22  7  1  30

## ANNUAL CREDIT PLAN-2014-2015 (as on 31/03/2015)

Sector	Agriculture & Allied Activities	Industry Sector	Tertiary Sector
Target No.	29655	2413	7736
Amount (Rs. in "000)	1,67,2507	342030	2597900
Achievement No.	<u>1591</u>	2265	3435
Amount (Rs. in "000)	<u>195346</u>	867136	1451059
Achievement in % No.	5.4%	93.9%	44.4%
Amount (Rs. in "000)	11.7%	253.5%	55.9%

# CREDIT: DEPOSIT RATIO/ CREDIT+ INVESTMENT :DEPOSIT RATIO AS ON 31.03.2015

(Amount of Rs ." 000)

<b>Commercial Banks</b>	S.S.C.O. Bank Ltd.	Total
41.6%	29.4%	40.4%
36.7%	43.8%	37.1%
80.2.2%	29.4%	80.5%
74.2%	43.8%	72.5%
	41.6% 36.7% 80.2.2%	41.6%       29.4%         36.7%       43.8%         80.2.2%       29.4%

## **Non Priority Sector**

The overall performance under Annual Credit Plan is exclusive of performance under\_non-priority sector but credit disbursal under the sector contributes to the growth in credit-deposit ratio . The overall performance under Non-Priority sector is furnished in the following table-.

(As on 31/03/2015)

(Amount in ,,000)

	Public Sector Banks	Private Sector Banks	SISCO Bank Ltd	Total
Target No.	4846	1070	415	6331
Amount (Rs. in "000)	938500	291000	80500	1310000
Achievement No.	2209	536	142	2887
Amount (Rs. in "000)	1010848	444951	46744	1502543
Achievement in % No.	45.6%	50.1%	34.2%	45.6%
Amount (Rs. in "000)	107.7%	152.9%	58.1%	114.7%

Reference- Lead Bank

#### **REFINANCE AGENCIES:**

The Small Industries Development Bank of India (SIDBI), National Bank for Agriculture and Rural Development (NABARD) are functioning in the State to provide refinance facilities to the Commercial Banks for their priority sector advances through their office at Gangtok. SIDBI is not only refinancing the Commercial Banks but is also involved in financing Small Scale Industries (SSIs).

#### **INSURANCE**:

Insurance cover is being widely extended to shops, vehicles, industries, animals, buildings etc. by the General Insurance Corporation of India through its subsidiaries, the National Insurance Company Ltd., and the New India Assurance Company Ltd. The Deposit Insurance and Credit Guarantee Corporation (DI&CGC) Act, 1961 has also come into force in the State. Life Insurance Corporation of India has also been well established in the State.

#### **INDUSTRIAL DEVELOPMENT AGENCIES**

# A. MSME – DI: Micro, Small & Medium Enterprises –Development Institute, Tadong, Gangtok and its functions in Brief:

Micro, Small And Medium Enterprises-Development Institute, under Ministry of MSME, Government of India, Tadong, Sikkim has a store of information and provides guidance to both new entrepreneur as well as existing entrepreneur. The institute is manned by technical officers, specialized in different trades. The main assistance programme of the institute are:-

#### (i) For prospective entrepreneurs:

(a) Assistance in product selection;

- (b) Dissemination of technical, economic, market information;
- (c) Preparation of project profile as per specific needs of the party;
- (d) Supply of information regarding sources of availability of plant and machinery, raw materials, know-how skills etc.
- (e) Guidance regarding layout of the proposed enterprise as well as its implementation to the stage of manufacture of finished products;
- (f) Taking up the case of the proposed enterprise with the concerned agencies for supply of necessary inputs, namely finance, power, sheds in the industrial estate, raw materials, scope of marketing the proposed products, etc. as and when the entrepreneurs face difficulty.
- (g) Adequate information regarding various assistance programmes of the Central and the State Government in the areas of hire purchase of plant and machinery, Central Government Stores Purchase Programme, interest Subsidy Scheme, Schemes of modernization, ancillary development and similar schemes is given to the entrepreneurs. This is also done for beneficiaries under the scheme of self-employment to educated un-employed Youth.
- (h) Training programme, viz. EDP/Motivation Programmes, are conducted involving all the concerned State Level agencies for the benefit of prospective entrepreneurs. This is also done for the beneficiaries under the scheme of Self-employment to educated un-employed Youth;
- (i) Product-cum-process oriented training courses are conducted mainly for the target group with a view to imparting process know-how through practical demonstration for manufacture of certain products having local market potential;
- (j) Arranges study visits enabling the entrepreneurs to get exposure;

#### (ii) For existing Unit / Entrepreneurs:

(a) Technical assistance in the areas of manufacturing process, product development and standardization selection of appropriate raw materials;

- (b) Organizes Vendor Development program cum Exhibition.
- (c) Organizing ISO-9000, Total Quality Management awareness program.
- (d) Efforts are made to arrange market tie up with State Government purchasing Departments / Corporations / Large Industries.
- (e) Techno-economic feasibility studies are conducted to identify potential items of consumer organizations for off-loading a portion to MSEs.
- (f) Joint capacity assessment is undertaken for NSIC registration.
- (g) Displaying of products of MSMEs in exhibition in Foreign Countries
- (h) Programmes on modernization in respect of quality improvements etc. are organized by involving experts in the line;
- (i) National Award to MSME Units.
- (j) Arranges study tours for enabling the entrepreneurs to get an exposure;
- (k) Arrange testing of raw materials and finished products;
- (1) Conducts management courses for educating managers of MSEs in various aspects of modern management enabling them to efficiently run their units.
- (m) Awareness on IPR: The main features of the scheme are Awareness Programme on IPR; Seminar/ Workshop; Assistance for grant of Patent/ GI registration; Setting up of IP Facilitation Centre.

#### **B.** <u>Directorate of Industries</u>:

The basic objectives of the Department of Industries & Commerce, Government of Sikkim, has been to bring about rapid industrialization of the State in order to contain the growing unemployment and for economic development. All industrial activities come under its ambit. According to the directives of the Government of India, an industrial unit whose capital

investment (i.e. the cost of plant and machineries only) does not exceed 25 lakhs is a micro sector unit. Units whose capital investment does not exceed Rs.1 crores is considered to be a small scale unit. The main functions of the Industries Department with the above objectives are as follows:

- Registering small scale industries and regulation of development of industries in the State;
- ➤ Development of Industrial Estates
- ➤ Giving technical guidance, plant location, etc.
- ➤ Undertaking industrial surveys and collection of market information and examination of viability;
- > Development of infrastructure;
- Arrangement for land, water, power etc. and
- Providing concessions and incentives.

## **C.** <u>District Industries Centers:</u>

For convenience of the entrepreneurs and to bring the concept of industrialization nearer to the people, District Industries Center have been set up one at Jorethang for south and West Districts and the other at Gangtok for East and North districts the function of the District Industries Centers are as follows.

- To provide information on feasible / viable items.
- To offer investment guidance and help prepare viable project profiles.
- To guide on the available credit schemes to entrepreneurs and help in credit appraisal.
- Ascertaining raw material requirement.
- To provide available shed in the Industrial Estate.
- Arrangement for power connection.
- To provide marketing assistance to artisians.
- To conduct motivational and Training program.
- Liaison with the State Khadi & Village Industries board and allied agencies.
- To organize industrial exhibition, seminars, study tours and inplant trainings etc.

# D. ACTIVITIES OF THE MARKETING AND SERVICE EXTENSION CENTRE, OFFICE OF THE DEVELOPMENT COMMISSIONER (HANDICRAFTS), GOVT. OF INDIA, MINISTRY OF TEXTILES, GANGTOK.

Handicrafts constitute an important segment of the de-centralized/unorganized sector of our economy. It is mainly a rural based sector which has its reach in backward and inaccessible areas. Originally, handicraft started as a part time activity in the rural areas, however it has now transformed into a flourishing economic activity due to significant market demand over the years. Handicrafts have big potential as they hold the key for sustaining not only the existing set of millions of artisans, but also for increasingly large number of new entrants in the crafts activity. Presently, handicraft sector is contributing substantially towards employment generation and exports but this sector has suffered due to its unorganized nature alongwith additional constraints like lack of education, capital, and poor exposure to new technologies, absence of market intelligence and poor institutional framework.

In order to overcome these constraints, Office of the Development Commissioner (Handicrafts) have introduced the following schemes which are being implemented by the Department on its own or through State Governments, State Handicrafts Handicrafts Corporations, NGOs, Cooperative Societies, Apex bodies, etc. in the form of Grand in Aid.

#### I. BABASAHEB AMBEDKAR HASTSHILP VIKAS YOJANA (AHVY):

Babasaheb Ambedkar Hastshilp Vikas Yojana (AHVY) as a Centre Plan Scheme was launched in 2001-02 wherein the main thrust was on adapting project wise, need based approach for integrated development of potential handicrafts clusters with participation of the craft persons at all stages of implementation of the scheme. The overall objective is of Socio-Economic empowerment of artisans and their sustainability.

The scheme envisages a package of support to the cluster of handicraft artisans, which inter-alia includes basic inputs and infrastructure support in addition to capacity enhancement to cater to target. While it is an undisputed fact that the Govt. of India and the State Governments have intervened in meaningful ways that have led to the revival and survival of crafts in the past few decades, in the light of new economic developments of one global unified market, handicrafts sector of India has to be strengthened further to be globally competitive. Therefore, it si compelling urgency to fill in critical gaps which have been taken care of in the scheme based on Cluster Approach.

#### **II. MARKETING SUPPORT & SERVICES SCHEME:**

The handicrafts industry has over the years contributed significantly to the employment and foreign exchequer of the country. It is omnipresent, with each state contribution through one or more crafts and has made tremendous progress during the last decade. The demand of handicrafts products in the domestic as well as international market is huge and varied. Despite such a high demand, only a fraction of this opportunity is being utilized. The key reasons being limited access to the market and weak product promotion. Therefore, a concerted effort has to be made to harness the demand potential of handicrafts both in domestic and international markets.

The Office of DC (Handicrafts) attempts to address this gap through its Marketing Support Services scheme which focuses on enhancing the access of artisans and exporters to various markets and marketing channels alongwith creating awareness about handicrafts amongst consumers and public at large both in domestic and international markets.

Under this scheme, the following activities are organized:

- a) Marketing events
- b) Assistance for organizing/participation in marketing events in India.
- c) Gandhi Shilp Bazaar/Craft Bazars
- d) Exhibitions
- e) Hiring of built up space in events organized by other organizations.
- f) National Handicrafts Fair
- g) Assistance for organizing/participation in markting events abroad.
- h) Participation in international fairs and exhibition abroad,
- i) Folk Craft Festivas of India/Stand Alone Shows/ Road Shows.
- j) Market Studies abroad.
- k) International craft exposure programme.
- l) Compliance, social and other welfare measures.
- m) Buyers Seller meet and workshops
- n) Buyer Seller meet in India
- o) Buyers sellers meet abroad.
- p) Marketing Workshops.
- q) Workshops/seminars/symposiums/programmes organized aborad
- r) Rental for warehousing.
- s) Publicity and Brand Promotion
- t) Demonstration of Craft
- u) Cultural Exchange Programme.

#### **III.DESIGN & TECHNOLOGY UP-GRADATION SCHEME:**

The Design and Technology up-gradation scheme aims to provide design & technology related inputs including skill up-gradation to the handicraft artisans to improve their productivity, quality and better marketability of their products.

The objectives of the schemes are as follows:

- a) To provide adequate support to sponsored institutions.
- b) Upgradation of artisans through design and technology intervention in order to develop new designs and prototypes and
- c) Give practicing craftsmen exposure to developments taking place in th field of design and & technology
- d) Market intelligence, management of skills, packaging and supply of improved tools and equipments
- e) To give recognition to master crafts persons for their outstanding contribution to Handicrafts sector and to encourage them to preserve our crafts tradition and maintain excellence.
- f) To create awareness about our rich crafts tradition amongst general public.

The following activities are undertaken under this scheme:

- a) Craft Awareness Programme
- b) Financial Assistance for supply of tools, safety equipments, etc.
- c) Design & Technology Development Workshop.
- d) Integrated Deign & Technolog6 Development Project.
- e) Shilp Guru Award, National Award and National Merit Certificate for outstanding contribution in Handicrafts sector
- f) Assistance to exporter and entrepreneur for design prototypes.
- g) Commercial Market intelligence by way of design, trend and technical colour forecast.

#### IV. HUMAN RESOURCE DEVELOPMENT SCHEME:

The Human Resource Development (HRD) Scheme has been formulated to provide qualified and trained worksorde to the handicraft sector. This workforce shall contribute to a strong production base leading to production of high quality products that cater to present day market requirements. This scheme also aims to create human capital for the sector in terms of trained cadre of designers for the handicrafts by providing relevant inputs through its components. There is also a provision made for the imparting soft skill considered necessary for the artisans to enable them to undertake their own business successfully.

The Scheme has the following five components:

- 1) Training through established institutions.
- 2) Handicrafts Training Programme
- 3) Training through Guru Shishya Parampara.
- 4) Training of Trainers
- 5) Design Mentorship and apprentice program.

#### V. HANDICRAFT ARTISANS COMPREHENSIVE WELFARE SCHEME:

Since, most of the handicraft artisans are from rural and poor population of the country, they are debarred from social requirements like Life Insurance, Health Insurance, etc. To overcome this, the Office of DC (Handicrafts) have introduced the following comprehensive welfare Schemes for the welfare of the handicrafts artisans.

- 1) Rajiv Gandhi Shilpi Swasthya Bima Yojana Health Insurance Scheme
- 2) Aam Admi Bima Yojana (AABY) Life Insurance Scheme.
- 3) Support to artisans in indigent circumstances Pension Scheme
- 4) Credit Guarantee Scheme Providing loans through Banks.
- 5) Interest Subvention Scheme 3% interest subventions on loans.
- 6) Issue of Identity Cards and creation of date base.

#### VI. RESEARCH & DEVELOPMENT SCHEME:

The Office of DC (Handicrafts), an attched office of Ministry of Textiles, Government of India which formulates and implements various schemes for the development Handicrafts in the country. The schemes formulated/modified/deleted for continuation from one plan to another, are based on the evaluation/Research Studies conducted from time to time and for this, we have an in house scheme called Research and Development in force since a long time. Research and Development Scheme was introduced in 1956-57 as Central Sector Scheme. This scheme was introduced to generate feedback on economic, social, aesthetic and promotional aspects of various crafts and artisans in the sector. This office has been implementing the scheme called Research and Development on all India basis since the time it was introduced to conduct surveys and studies of important crafts and make in depth analysis of specific apects and problems of Handicrafts in order to generate useful inputs to aid policy, planning and fine tune the ungoing initiatives; and to have independent evaluation of the schemes implemented by this office.

#### VII. INFRASTRUCTURE AND TECHNOLOGY DEVELOPMENT SCHEME

The scheme aims at the development of world class infrastructure in the country to support handicraft production, and enhance the product quality and cut the cost to enable it to compete in the world market.

#### During 2014-15, the following activities were undertaken in the State of Sikkim.

- 1) Organized 2 days State Level Marketing Workshop.
- 2) Organized 2 days Local Level Marketing Workshop.
- 3) Completed 2 nos. of training programme under Guru Shishya Parampara with total 30 artisans. One at Namchi and one at Pelling.
- 4) Organized one Gandhi Shilp Bazar.
- 5) Enrolled about 200 artisans for Aam Admi Bima Yojana.
- 6) Collected about 250 forms for issue of Artisan Identity Card.
- 7) Completed one Base Line Survey of West District under AHVY.
- 8) Completed 2 nos. of Integrated Design & Development Project through Sikkim State Handloom & Handicrafts Development Corporation, Gangtok.
- 9) Completed on Skill Upgradation Programme under HRD at Dikchu through Sikkim State Handloom & Handicrafts Development Corporation, Gangtok.

#### E. DIRECTORATE OF HANDLOOMS & HANDICRAFTS, GOVT. OF SIKKIM

DHH since its inception on 9<sup>th</sup> March 1957 has been actively involved in the promotion and development of the State of Sikkim. Handicrafts and Handloom have been identified as a thrust area for industrial acceleration in the State of Sikkim and DHH is actively involved in performing its role and function.

"The main aim of this centre is to preserve and keep alive the age old arts and crafts of Sikkim.

#### F. SPICES BOARD

Spices Board is an autonomous organization functioning under the Ministry of Commerce and Industry, Government of India with head office at Cochin (Kerala State) constituted on 26<sup>th</sup> February 1986 under the Spices Board Act, 1986 with the merger of the erstwhile Cardamom Board (1968) and Spices Export Promotion Council (1960). A total of 52 spices under any form including curry powder, spice oils, oleoresins and other mixtures with predominant spice content are brought under the purview of Spices Board. The Spices Board is concentrating on Research and Development Programmes on small and large cardamom and export promotional activities on pepper, chilly, ginger, garlic, turmeric, coriander, cumin, celery, funnel and fenugreek.

Spices Board is having six divisions viz. 1. Development, 2 Marketing, 3. Research,

4. Publicity, 5. Statistics and 6. Quality up-gradation Lab to look into the different aspects of spices industry.

The spices Board (erstwhile Cardamom Board) started its activities in Sikkim from 14<sup>th</sup> July 1979 with setting up a Regional Office in Gangtok headed by Deputy Director (Dev.) and 4 Zonal offices one each at Mangan for North District, Gangtok for East District and Jorethang for West and South District of Sikkim and another in Kalimpong for Darjeeling District of West Bengal headed by Assistant Directors for the development of Large Cardamom in Sikkim and West Bengal.

#### AIMS AND OBJECTIVES/ FUNCTIONS OF THE BOARD

The Spices Board Act, 1986 has assigned the following functions to the Board. The board may-

- 1. Develop, promote and regulate export of spices.
- 2. Grant certificate for export of spices.
- 3. Undertake programmes and project for promotion of export of spices.
- 4. Assist and encourage studies and research for improvement of processing, quality techniques of grading and packaging of spices.
- 5. Strive towards stabilization of prices of spices for export.
- 6. Evolve suitable quality standards and introduce certification of quality through quality marking of spices for export.
- 7. Control quality of spices for export.
- 8. Give licenses, subject to such terms and conditions as may be prescribed, to the manufacturers of spices for export.
- 9. Market any spices if it considers necessary in the interest of promotion of export,
- 10. Provide ware housing facilities abroad for spices,
- 11. Collect statistics with regards to spices for compilation and publication,
- 12. Import any spice for sale with the prior approval of the central Government, and
- 13. Advise the Central Government on matters relating to import of spice.

#### PROGRAMMES AND SCHEMES-

Under 11<sup>th</sup> Five year plan Spices Board has implemented special programme under replanting and rejuvenation scheme for development of Large Cardamom in Sikkim region. The achievements of Spices Board under various developmental schemes implemented during 11<sup>th</sup> Plan (2007-08 to 2011-12) are given below-

Name of the	Details		Year			
Programme						
		2007-	2008-	2009-	2010-	2011-
		08	09	10	11	12
Cardamom Sucker	No. of Nursery Units	598	650	2889	855	988.50
Certified Nursery	No. of Suckers produced & utilized (in lakh)	59.80	65.0	288.90	85.50	98.85
	No. of beneficiaries	557	633	3358	1172	1346
Cardamom	Area Planted ( in ha)	551.2	602.5	603.85	581.8	653.75
Replanting	No. of beneficiaries	906	1279	4618	1256	1673
Cardamom	Area rejuvenated (in	-	248.1	989.55	382.8	182.55
Rejuvenation	ha)					
	No. of beneficiaries	-	520	2001	735	430

Source-Spices Board,

Although large cardamom is the major cash crops of Sikkim which fetches high price in International markets but the state average productivity of around 220 kg per hectare is very low compared to other well maintained plantations which have recorded upto 1200 kg per hectare. Of late the annual production has also been decreasing due to mass attack of plantations by pests and diseases. So, lots need to be done regarding development of disease resistant and high yielding varieties in order to increase average production and protection from diseases. However, high market price has been instrumental in motivating farming community in application of scientific techniques to increase production. Now more and more stakeholders are considering agriculture as secondary and tertiary mode of income generation and taken steps towards large cardamom plantation.

#### G. SIDICO:

Sikkim Industrial Development and Investment Corporation Ltd., (SIDICO) set up in the year 1977 is a State level principal financial institution engaged in promotion, financing and development of industries in tiny, cottage, small and medium sector in the State of Sikkim. Besides, the Corporation has also been providing soft loan / seed capital assistance,

participating in the share capital its selective venture projects and has been engaged in activities like procuring and distributing raw materials for selective industries / activities.

At present, SIDICO is the nodal agency and has been an excellent delivery channel of the State Government and has successfully implemented the Schemes like Chief Minister's Self Employment Scheme, Comprehensive Educational Loan, Chief Minister's Free Scholarship Scheme, ASIDE Scheme and other projects mandated to it. Under the Chief Minister's Self Employment Scheme educated unemployed youth are provided loans to take up income generating vocations through self employment. During the financial year 2012-13, the corporation sanctioned Rs. 7.17 crores to 467 beneficiaries as against Rs. 5.46 crores to 238 beneficiaries during the previous year. Since the inception of the scheme the corporation has sanctioned an aggregate amount of Rs. 78.22 crores to 6817 beneficiaries. Comprehensive Educational Loan Scheme is being implemented by Government of Sikkim through SIDICO. Under the scheme, educated youth willing to pursue higher academic studies and professional courses in India and abroad can avail the loan. The maximum loan amount for study within the State is Rs. 5.00 lakhs, for study in India is Rs. 7.50 lakhs and abroad is Rs. 15.00 lakhs. Loan is interest free for the duration of the course plus one year or six months after getting employment whichever is earlier. During the financial year 2012-13 total amount of Rs. 6.05 crores to 431 students has been sanctione against the total sanctione of Rs. 7.00 crores to 508 students in the previous year. Total cumulative sanction under the scheme is 34.88 crores to 1514 students.

The broad scheme wise classifications of financial assistance sanctioned and disbursed during the last two years are given below-

		Sanctions (Rs. In Lakhs)				Disbursement (Rs in Lakhs)	
Sl.	Description	2012-2013	3	2011-2012		2012-13	2011-12
No		No.	Amount	No.	Amount		
1	Hotels/Restaurants	7	14.00	9	18.50	7.75	16.50
2	Composite/SSI	1	1.50	5	4.25	0.70	4.25
3	Personal Computers	36	17.40	53	26.05	17.40	26.05
4	Multipurpose	520	846.00	526	861.80	846.00	861.80
Total		564	878.90	593	910.60	871.85	908.60

Reference- SIDICO-Annual Report 2012-2013

#### H. NABARD:

Nationalized Bank for Agriculture and Rural development has been providing refinance support to Cooperative and Regional Rural Banks for short term (agriculture) and short term (other than agriculture) activities by the banks. Besides NABARD has been providing refinance support to Co-operative Banks, RRB"s and Commercial Banks for investment credit including Government sponsored programs. Targets and achievements of credit flow to Non-Farm

Sector from NABARD during last three years is shown in the table below-

Year	2012-13		2013-14		2014-15				
Agency	Agricult	Non-	Total	Agricu	Non-	Total	Agricultu	Non-	Total
	ure	Farm		lture	Farm		re Credit	Farm	
	Credit	Sector		Credit	Sector			Sector	
		Credit			Credit			Credit	
Commercia	1526.45	1932.7	3459.2	1947.5	773.79	2749.5	2561.14	8247.2	10808.3
1 Banks		6	1	9		3		3	7
State Co-	573.61	38.2	611.81	1157.9	28.15	1186.1	1178.03	7.41	1185.44
op Bank				8		3			
Total	2100.06	1970.9	4071.0	3105.5	801.94	3907.5	3739.17	8254.6	11993.8
		6	2	7		1		4	1

Source – NABARD, Gangtok.

# I. SIKKIM STATE COOPERATIVE SUPPLY AND MARKETING FEDERATION LTD. (SIMFED):

The cooperative movement in India was officially adopted in the year 1904 by enacting Cooperative credit societies act 1904. Then the Government dedicated to establish other types of societies such as consumer, marketing etc. on par with credit societies, by modifying the earlier act of 1904 and enacted as cooperative societies act 1912 (deleted credit word). The theory and concept of cooperative movement was extended in the state of Sikkim by official enactment of "Sikkim cooperative societies act 1955".

After Sikkim joining the mainstream of Indian union, a comprehensive "Sikkim Cooperative Societies act of 1978, Sikkim Cooperative Societies rule of 1981" was enforced.

As per the provisions of act and rules, the Government of Sikkim evolved the idea of establishing the first state level cooperative business organization" Sikkim State Cooperative Supply and Marketing Federation Ltd. (SIMFED) with multipurpose cooperative societies at grass root level, in the two-tier structure of cooperative society. SIMFED finally got established in the year 1983 with the main intension to undertake wholesale supply of consumer goods requirement of grass root level cooperative societies and arrange for bulk marketing of farm surplus including important cash crops in the state.

#### **Achievement/Activities of SIMFED:**

Ever since it was commissioned to action in later part of 1984, SIMFED has been able to achieve the following trade of business-

Stabilized and diversified marketing of principal cash of the state namely large cardamom, ginger, seed potato, cabbage, apple etc.

Marketing supply of exercise book, computers, furniture and other office equipments.

Procurement and supply of agricultural inputs to Food Security & Agricultural Department, Horticulture & Cash Crop Department and animal feeds to AHVS department.

Marketing of almost all types of consumer item required by its affiliated societies at reasonable price i.e. Siliguri wholesale price.

Marketing of Organic vegetable produced in Sikkim.

Processing, packaging and marketing of local cereals and pulses under the brand name "Sikkim Organic". Through its outlets in the state as well as in New Delhi.

SIMFED also operates a yard in Siliguri (W.B) regulated market for the convenience of local growers for selling their products in Siliguri.

SIMFED also operates one highly mechanized ginger processing unit.

The turnover and the profitability (after taxes) of SIMFED for last five years is given below-

001011		
Financial Year	Turnover (in Crore)	Net Profit after taxes(in Crore)
2010-11	62.73	0.71
2011-12	104.84	0.76
2012-13	105.05	0.64
2013-14	173.18	0.99
2014-15	99.52	0.99

## J. <u>SIDBI:</u>

Small Industries Development Bank of India (SIDBIGangtok Branch Office is operational since April 1990 and is engaged in Promotion Financing and Development of Micro, Small & Medium Enterprises (MSME) sector and addressing both financial and developmental gaps in MSME eco – system. A brief summary of the activities in the state of Sikkim is as follows:-

1. **Refinance:** Extending refinance to Banks and also to Sikkim Industrial Development and Investment Corporation Ltd.,(SIDICO) against the loans given by them to MSME sector,

- 2. **Resource Support to Microfinance Institutions (MFI's)** With a view to up scaling and widening the outreach of the micro finance operations, SIDBI has been constantly taking several proactive steps to increase the flow of assistance to hitherto underserved areas; During the year SIDBI has assisted two MFI's which has substantial operational presence in the state of Sikkim:
- 3. Credit Guarantee Fund Trust for Micro and Small Enterprise (CGTMSE). Govt. of India and SIDBI have come together to setup CGTMSE to provide credit Guarantee Support for loans upto `100.00 lakhs extended by Banks and financial institution to micro and small enterprises (MSE). During the FY ended 2015 a total number of 304 credit facilities amounting to `1366.77 lakhs was covered under the CGTMSE scheme in the state of Sikkim. So far on cumulative basis up to March 31, 2015 in the state of Sikkim the Trust has approved a total number of 1462 loan proposals comprising of total approved loan amount of `5771.09 lakhs.
- 4. **Promotional & Developmental (P&D) Activities of SIDBI in Sikkim**: To address the non financial gap of the MSMEs SIDBI has adopted a credit plus approach by providing various P&D support primarily aimed at capacity building of the MSME sector these include following activities:-
  - I. **Skill and Entrepreneurship Development**: Programmes are being conducted with an objective of training target group of people in developing skills and entrepreneurial traits for promotion of self-employed ventures capable of generating employment opportunities, especially targeting less privileged sections of the society like Women, Scheduled Castes / Scheduled Tribes, minorities and rural poor.
    - During the year numerous such programme were sanctioned and are conducted/being conducted benefiting 125 participants mainly women from weaker sections of the society were trained in different entrepreneurial traits with ultimate objective of promotion of self-employed ventures/ gainful employment. As on March 31, 2015, cumulatively number of EDPs supported in Sikkim for various target groups was 36, benefiting many participants. Many participants have either set up their own units or have been gainfully employed in the sector.
  - II. <u>Micro Enterprises Promotion Programme (MEPP)</u>— Comprehensive enterprise support services are provided through the identified implementing agencies for setting up a micro enterprises by the rural youth using local resources. The scheme helps in identifying, motivating and guiding rural entrepreneurs in setting up industrial ventures by better commercial exploitation of local resources. During the recent financial years in the east district and south district of Sikkim, MEPP were successfully implemented promotingmany units. P&D programmes are carried out through suitable Implementing agencies such as Technical Consultancy Organisations (TCOs), development professionals, Non-Governmental Organisations (NGOs) etc.
  - III. **Promoting Entrepreneurship -** SIDBI has set up a website www.smallB.in with objective of promoting entrepreneurship, mostly among the youth. The website guides the youth on, (i) awareness, understanding, identification and choosing of the business opportunities that exist, (ii) understanding the basics of finance and regulatory aspects, (iii) preparation of business plan and detailed project report, (iv) how to incorporate business in India and (v) attending to various requirements of Banks and Financial Institutions etc. In the state of Sikkim the salient features and the advantages of the same is being highlighted among the targeted youths of the Sikkim in various awareness camps/ programmes being held at Sikkim.

- IV. Awareness programme on MSME by Town Hall Meeting BO with an objective of create awareness on the various programme on MSME's / participated in Town Hall meetings organized by the Reserve Bank of India and SIDBI. The target groups were existing and budding MSE entrepreneurs. Various schemes for MSE, incentive schemes, CGTMSE schemes, assistance in getting project profiles prepared, and other handholding support were highlighted for the benefits of entrepreneurs.
- V. Credit Advisory In order to provide a number of free escort services to MSMEs like guiding new /existing entrepreneurs regarding availability of schemes of commercial banks, government subsidies / benefits, provide borrowers with debt counseling, answering queries raised by banks, etc. SIDBI has set up a large network of Credit Advisory Centres (CACs) through out the country in as many clusters in partnership with cluster level industry associations. Under this arrangement, Credit Counseling Centres/Business Facilitation Centre (BFC) were also opened. Presently, there are 8 (eight) such centres operational in NER including one at Gangtok (Sikkim).

#### K. SIKKIM KHADI & VILLAGE INDUSTRIES BOARD (SKVIB)

The Sikkim Khadi and Village Industries Board is an autonomous body established by an Act No.4 of 1996. Various provisions of the Act to go to show that Khadi & village Industries play a key role in the eradication of poverty by way of generating employment to the educated unemployed youth and people living in the grass root level and to uplift the down trodden people above the poverty line. Sikkim Khadi & Village Industries Board is a limb and an implementing agency of the State Government and Khadi and Village Industries Commission. There is no escape from saying that only those scheme can be implemented by the Board which bears the approval of the Govt. Khadi and Village Industries are very important in such a boiling situation of unemployment. The employment has attended the alarming stage of saturation in and in such a situation Khadi and Village Industries can play a vital role for providing the livelihood to the people of the state with the implementation of these schemes by the entrepreneur themselves.

Keeping in view the above mission and motto the Khadi and Village Industries Commission is extending financial assistance to individuals in rural areas for setting up Village Industries Units costing up to Rs.25.00 lakhs in each case through margin Money Scheme. Therefore, this is necessary that the unit is to be set up should be economically viable so that sustainable employment may be provided in rural areas. At the same time the unit should be able to generate sufficient surplus from the activity to enable it to repay the loan along with interest. It puts enormous responsibility on field agency to see that prospective beneficiaries should get proper guidance for preparation and execution of viable projects.

Sikkim Khadi and Village Industries Board have been running Khdi Bhavan/ Bhandars and Training cum Production Centre for training, production and sale of Khadi and Village Industries Products. District –wise list of these centers are given below-:

Districts	East	West	South	North
	Super Market	Khadi Bhandar	Khadi Bhandar	-
	Khadi Bhandar,	Gyalshing	Jorethang	
	Gangtok			
	Khadi Bhawan	Khadi Woollen	Khadi Bhandar	-
	Deorali	Spinning and	Namchi	
Name of Centre		weaving Centre		
		Buriakhop		
	Khadi Bhandar	Khadi Woollen	Khadi Woollen	-
	Singtam	Spinning and	Carding Unit and	
		weaving Centre	Spinning Centre	
		Samdong	Jorethang	
	Dyeing & Printing	Khadi Woollen	Khadi Composite	-
	Unit Aho-	Spinning and	Centre, Tarku	
	Yangtam	weaving Centre		
		Begha		
	Khadi Cotton	Khadi Woollen	Khadi Cotton	-
	Spinning and	Spinning and	Spinning and	
	weaving Centre	weaving Centre	weaving Centre	
	Martam	Mendogaon		
	Khadi Cotton		Khadi Cotton	-
	Spinnming and		Spinning Centre	
	weaving Centre		Wok	
	Raley Khesey			
	Ready made unit		Khadi Cotton	-
	Deorali		Spinning and	
			weaving Centre,	
			Gom	
	Carpentry &		Khadi Cotton	-
	Blacksmithy unit		weaving Centre,	
	Aho Yangtam		Turuk	
	Charkhadi Stor			
	Deorali			
	Hosiery Training			
	Centre Aho-			
	Yangtam			

#### L. SIKKIM STATE COUNCIL OF SCIENCE & TECHNOLOGY:

After India joined the World Trade Organisation in 1995 it has committed itself to the WTO agreements and the Intellectual Property Rights. The IPR issues have far reaching consequences on the competitive and efficient functioning of the MSMEs.

The state government has notified Sikkim State Council of Science & Technology under Department of Science & Technology and Climate Change as a nodal agency for Intellectual Property Rights in order to promote, stream line and look after the matter related to IPR and its issue in the state.. A Patent Information Centre is also functioning at Sikkim Science Centre, Marchak, East Sikkim. The PIC is functioning under the Sikkim State Council of Science & Technology, Govt. of Sikkim. Five Numbers of awareness programmes on IPR have been organized by Patent Facilitation Centre at different colleges and in Sikkim University.

Sikkim being rich in Biodiversity, Traditional Knowledge and its practices, different Agriculture and Horticulture products along with handloom & handicrafts items possess huge potential for GI registration. Considering potential and probable threat of infringement to these traditional and ethnic designs/ products, PIC Sikkim has filed for GI registration of four products. They are Sikkim Orange (Mandarin), Sikkim Temi Tea, Sikkim Dzongu Lepcha Hat (Sumuk Thyaktuk) and Sikkim Dzongu Lepcha Dari/ Weave (Thokro). Out of these four, GI registration of first two items have been accepted by Technology Information Forecasting & Assessment Council (TIFAC), New Delhi. Two films- Gyapo (A story) & Kathaa (A story) has also been filed for copyright by the centre. One local variety of rice-kalo Nunia developed by one of the progressive farmer of Sikkim has also been applied for the registration for Farmers Variety as Kailash Rana Manger under Plant Protection Variety & Farmers Right (PPV & FR) Act 2001 and Plant Protection Variety & Farmers Right Rule 2003. Beside these Trademark and Logo for Biodegradable plastic is under process

# M. KVIC-PRIME MINISTER EMPLOYMENT GENERATION PROGRAMME (PMEGP):

The Ministry of MSME has launched a new credit linked subsidy programme called PMEGP on 15<sup>th</sup> August 2008 for generation of employment opportunities through setting up of micro enterprises both in rural & urban areas. This is a central sector scheme administered by Ministry of MSME. The scheme is implemented through State KVIC Directorates, State KVIB and District Industries Centers and banks. The Govt. subsidy under the scheme is being routed by KVIC through the identified Banks for eventual distribution to the beneficiaries/ entrepreneurs in their Bank accounts. The objective of the scheme is to generate employment opportunities both in rural and urban areas through setting up of new self Employment micro enterprises.

Quantum and Nature of financial assistance: KVIC will provide margin money (subsidy)

through the banking system as given below:

Categories of Beneficiaries under PMEGP	Beneficiaries" contribution (of Project cost)	Rate of Subsidy ( of Project Cost)
Area/Location of Project/Unit		Urban Rural
General Category	10%	15% 25%
Specia( including	5%	25% 35%
SC/ST/OBC/Minorities		
/Women,Ex-Servicemen,		
Physically Handicapped, Hill &		
Border areas,etc		
All categories of beneficiaries of States of North Eastern region	5%	25% 35%
Ceiling Limit of Project Cost	Rs 25 Lakh for Manufacturing Unit	Rs 10 Lakh for Service Unit

Districtwise No of Applications received and approved in 2014-2015 (From 01/04/2014 to 31/03/2015) under PMEGP:

District	No of Applications Received	No of Projects Approved
East	38	18
North	02	00
South	35	10
West	46	24
Total	121	52

## Disbursal of Funds under PMEGP

Name	Targe	et		Achievemen	nts			
of	No. of	Margin	Emp. (No)	No. of	No. of	No. of	Margin	Emp.
Agency	Projects	Money	_	Projects	Projects	Projects	Money (	No)
		( in		received	selected &	sanctioned	in	
		Lakhs)			forwarded to	&	Lakhs)	
					Banks	disbursed		
DIC	210	255.43	1680	64	56	34	59.30	131
KVIC	158	191.58	1264	43	36	16	16.38	47
KVIB	158	191.58	1264	14	12	2	1.87	6
Total	526	638.59	4208	121	104	52	77.55	184

Source- KVIC, Gangtok.

#### N. NORTH EASTERN DEVELOPMENT FINANCE CORPORATION LTD. ( NEDFi)-

The North Eastern Development Finance Corporation Ltd. (NEDFi) is a Public Limited Company registered under the Companies Act 1956 on 9<sup>th</sup> August 1995. It is notified as a Public Financial Institution under Section 4A of the said Act and was registered as a NBFC in 2002 with RBI. The management of NEDFi has been entrusted upon the Board of Directors comprising representatives from shareholder institutions, DONER, State Governments and eminent persons from the NE or outside regions having wide experience in industry, economics, finance and management.

The basic objective of the establishment of NEDFi is to provide financial assistance to micro, small, medium and large enterprises for setting up industrial, infrastructure and agri-allied projects in the North Eastern Region of India and also Microfinance through MFI/NGOs. Besides financing, the Corporation offers Consultancy & Advisory services to the state governments, private sectors and other agencies. Sector or state specific studies are conducted under its Techno-Economic Development Fund (TEDF) and is the designated nodal agency for disbursement of Govt. of India incentives to the industries in the North-East India under North-East Industrial and Investment Promotion Policy, 2007 (NEIIP 2007). Its other promotional activities include NEDFi Haat, NEDFi Convention Centre, NEDFi Pavillion etc.

NEDFi is an ISO 9001:2008 certified company since 2001 and its mission is for the economic development of the North Eastern region of India by identifying, financing and nurturing commercially and financially viable projects in the region. Network of its branch offices are located in Agartala & Udaipur in Tripura, Dimapur & Kohima in Nagaland, Itanagar in Arunachal Pradesh, Shillong in Meghalaya, Aizawl & Lunglei in Mizoram, Imphal in Manipur, Guwahati (HQ), Silchar & Tinsukia in Assam and in Gangtok and Namchi in Sikkim. NEDFi, Gangtok Branch Office started its operation in the state of Sikkim from November 2003. Since then Gangtok B.O has been discharging all the activities and functions of NEDFi from developing activities to sanctioning and appraising of credit proposals in the state of Sikkim. It took initiatives to extend handhold support to the emerging entrepreneurs of the state by organizing various entrepreneurship development programmes, market linkages beside extending credit support. With a view to provide better services the every corner of the state, NEDFi has set up another branch at Namchi, South Sikkim in the year 2011, which will cater to the financial needs of the South and West districts of the State.

Details of Loans and advances made available by NEDFi, Sikkim Branch is given below-

1	Number of units sanctioned by Sikkim Branch	119
2	Amount Sanctioned (in Rs Lakh)	809.09
3	Capital Investment Subsidy (Crore)	4.55
4	Central Transport Subsidy (Rs)	88,000/-
5	Transport Subsidy (Lakh)	17.47
6	Interest Subsidy	NIL

#### **INDUSTRIAL SCENARIO IN THE STATE**

Sikkim is one of the least industrially developed state in India, heavily dependent on Central Government grants, and needs to undertake an all around development effort to be at par with the other states of the country. It is, hence, necessary to identify the priorities and emphasize the significance the objectives of speedy industrial development and generation of adequate employment opportunities. Keeping these objectives in mind, the industrial policy attempts to satisfy the aspirations of the people, through economic and industrial development of the state.

Sikkim became 22<sup>nd</sup> state of the Indian Union on 16<sup>th</sup> May 1975. During the merger, with a view to protect the interest of local people certain special provisions were incorporated in the constitution. Under this provision people from outside the state cannot acquire land and start any commercial establishment in Sikkim in their name. Entrepreneurs from outside Sikkim can take land on lease and start a business after obtaining prior permission from State government only.

Eighty percent of the population lives in rural Sikkim and agriculture plays a dominant role in the State economy with the total cultivable land of around 70,000 hectares, the per capita availability of land is a meager 0.18 hectares. The rugged mountainous terrain, fragmentation of land erosion of the hilly tracts, geographical seclusion of Sikkim from mainland India, bottlenecks transportation, dependence on traditional methods of cultivation, etc. have contributed to the low productivity of agricultural crops and difficulties in undertaking large scale farming. Consequently, there has been very limited improvement in the methods of agriculture over the years.

The main crops produced are rice, wheat, maize, large cardamom and ginger, with potential for the commercialization of large cardamom, ginger, fruits, tea, medicinal herbs and exportable flowers. There are large areas of fallow land available which can be converted into productive farms for cash crops. Sikkim produces 80 percent of India's large cardamom, which enjoys a high value export market in Pakistan, Singapore and the Middle- East. The ginger is also of a good quality and has export prospects. The large cardamom and ginger can hence be converted into value added products. Fruits can be processed for value addition. Exotic flowers can be cultured for export. Honey and tea are other agro-based products that have high potential. There is a good market for the minor forest produce of the State.

The varied altitude is ideal for the cultivation of a variety of herbs, which can be used in the manufacture of medicines, cosmetics and aromatic products. The climate is ideal for the development of mulberry plantation and hence, the establishment of a sericulture industry. The absence of profitable marketing network and the lack of appropriate processing facilities for manufacturing quality finished products has resulted in most of the produce being sold at uncompetitive prices to other states as raw materials, and their true potential has not been exploited. Therefore, due attention needs to be given for the development of agrobased, food processing and forest based units.

There are good prospects for setting up dairy and animals husbandry units on a commercial basis. The milk production offers opportunities for developing processed food products like cheese, butter, etc. The population being predominantly non-vegetarian, meat-processing and packaging units offer promise in the state

.

The state has a good resource base of minerals like zinc, lead, copper, dolomite, coal, quartzite, graphite, talc etc., Commercial exploitation of some of these minerals is being carried out by the Sikkim Mining Corporation. The traditional, cottage industries and specially handicrafts enjoy a good national and international market but more needs to be done on upgrading quality and design, as well as production and also improvement in the marketing network.

The abundant natural beauty of Sikkim offers a good potential to attract foreign and domestic tourists, and is conductive to the setting up of tourist spots, holiday resorts leisure camps of trekking and adventure sports activities. However, to develop and sustain the tourism industry, adequate travel and tourism related infrastructure needs to be created. Conference Tourism can also be promoted. The state is dependently only on a network of roadways for transportation. At present, no air or water transport facilities are available. During the monsoon season road network within the state and National Highway 310 which connects Sikkim with the rest of the world gets disrupted due to landslides. Therefore there is an urgent need for upgrading National highway and the road network within Sikkim.

Accommodation facilities are at present only adequate for tourists and must thereafter be enhanced. The overall power situation though comfortable must be suitably enhanced to induce more power intensive industries to the state. Human resources need to be developed with the ultimate objective of creating the necessary skills commensurate with the future industry and market requirements.

# Details of Enterpreneurship Memorandum Part II filed by MSMEs in Sikkim:

Table-1
District-wise No. of Enterprises with EM II

Year		Districts					
	North	West	South	East			
2007-08	0	1	3	10	14		
2008-09	4	24	3	40	71		
2009-10	1	6	1	10	18		
2010-11	0	15	1	24	40		
2011-12	0	11	9	10	30		
2012-13	0	2	0	9	11		
2013-14	1	0	2	6	9		
2014-15	0	0	1	6	7		

Table-2
Category-wise No. of Enterprises with EM II

Year		Category of Enterprise				
	Micro	Small	Medium	Total		
2007-08	6	7	1	14		
2008-09	13	54	4	71		
2009-10	6	10	2	18		
2010-11	4	35	1	40		
2011-12	8	21	1	30		
2012-13	1	10	0	11		
2013-14	2	7	0	9		
2014-15	4	3	0	7		

Table-3
Sector-wise No. of Enterprises with EM II

Year	Sector-wise no .of E	Total	
	Manufacturing	Service	
2007-08	5	9	14
2008-09	8	63	71
2009-10	5	13	18
2010-11	5	35	40
2011-12	6	24	30
2012-13	2	9	11
2013-14	7	2	9
2014-15	4	3	7

Table-4

NO.OF EM I FILED IN DICS DURING THREE YEARS

	2012-13		2013-14			2014-15			
	Manufacturi	Servic	Tot	Manufac	Ser	Total	Man	Ser	Tota
Type of	ng	е	al	turing	vice		ufact	vice	1
Enterprise	_			_			uring		
Micro	43	63	106	27	51	88	26	43	69
Small	2	14	18	7		20	4	5	9
					13				
Medium	-	-		-	1	1	-	-	-

<sup>\*\*</sup> As per the data provided by DICs

 ${\bf Table~5}$  District-wise list of major Industrial Units and Hotels in Sikkim EAST DISTRICT

Sl. No	Name	Location	Main Activity Manufacturing
1	Ms Sheela Foam (P) Ltd.	Bagey Khola, East Sikkim	Foam Mattresses
2	M/s Flex Art Foil (P) Ltd.	20 <sup>th</sup> Mile Bordang	Aluminium Foil
3	Greenways (P) Ltd.	Smlick Marchak East Sikkim	
4	Ms. CG Food India (P) Ltd.	Rangpo, East Sikkim	Food Products
5	Ms.Alkem (P) Ltd.	Kumrek,East Sikkim	Pharmceuticals
6	Mount Distilleries Ltd.	Majhitar, East Sikkim	Liquors
7	Ms. Zydus Health Care	Majitar, East Sikkim	Pharmaceuticals
8	Ms. Indichemie Health Specialities Pharma (P) Ltd.	Kumrek,East Sikkim	Pharmaceuticals
9	CIPLA Ltd.	Kumrek. East Sikkim	Pharmaceuticals
10	Intas Pharmaceuticals	Bagey Khola, East Sikkim	Pharmaceuticals
11	Sun Pharma (P) Ltd,	Setipool, East Sikkim	Pharmaceuticals
12	Golden Cross Pharmaceuticals (P) Ltd.	Rorathang ,East Sikkim	Pharmaceuticals
13	Epitome Petrochemical (P) Ltd.	Tumlabong Namli,E. Sikkim	Pet Perform
14	Nextgen Printer (P) Ltd.	Majhitar Rangpo East Sikkim	Aluminium Foil
15	STP Pharmaceuticals (P) Ltd.	Sangkhola, East Sikkim	Pharmaceutical
16	Glenmark Pharmaceuticals Ltd.	Samlick Marchak, East Sikkim	Pharmaceutical
17	East West Pharma (P) Ltd.	Majhitar Rangpo East Sikkim	Pharmaceutical
18	Torrent Pharmaceuticals Ltd.	Middle Camp East Sikkim	Pharmaceutical
19	Unichem Laboratories Ltd.	Bagey Khola, East Sikkim	Pharmaceutical
20	Sikkim Distelleries Ltd.	Rangpo East Sikkim	Liquors
21	Himalaya Distelleries	Majhitar Rangpo East Sikkim	Liquors
22	Denzong Albrew (P) Ltd.	Mulukey, Rhenock East Sikkim	Beer
23	Sikkim Breweries (P) Ltd.	Baghey Khola East Sikkim	Beer
24	Ms.Sikkim Agro Chemical(P) Ltd	Majitar, East Sikkim	M.S.Ingot Iron
25	MayFair Spa & Resort (P) Ltd.	Ranipool East Sikkim	Hotel 5 Star
26	Suhim Portico Hotels & Resort	Helipad Road, Sichey, Gangtok East Sikkim	Hotel 3 Star
27	Saramsa Resort (P) Ltd.	Saramsa, East Sikkim	Hotel 2 Star
28	Hotel Kessang	Marchak East Sikkim	Hotel 2 Star
29	The Royal Demazong	Chongay, East Sikkim	Hotel 3 Star
30	The Royal Plaza	Syari, Gangtok East Sikkim	Hotel 4 Star
31	The Keepsa Residency	Kazi Road, Gangtok, East Sikkim	Hotel 2Star
32	Mayell & Frasers (P) Ltd.	Bagey Khola, East Sikkim	Liquors
33	Macloeds Pharmaceuticals	Aho, East Sikkim	Pharmaceuticals

34	Hotel Tamarind	J.N Road, Chandmari, East Sikkim	Hotel	3 Star
35	Hotel Lakar	Gangtok, East Sikkim	Hotel	2 Star
36	Hotel Deliso Abode	Gangtok East Sikkim	Hotel	3 Star
37	Hotel Mt. Siniolchu	Enchey, Gangtok East Sikkim	Hotel	3 Star
38	Hotel Tara Palace	Namnang, Gangtok East Sikkim	Hotel	3 Star
39	Le Primula	Church Road Gangtok	Hotel	3 Star
40	Sun Pharma Drugs Laboratories	Namli Block Ranipool East	Pharma	ceuticals
	Ltd Unit II	Sikkim		

#### SOUTH DISTRICT-

Sl.	Name	Location	Main Activity
No			Manufacturing
1	Godrej Consumer Products Ltd.	Mamring, South Sikkim	Cosmetics/ Toileteries
2	Alkem Health Science Ltd. Unit-I	Samardung, South Sikkim	Pharmaceuticals
3	IPCA Laboratories Ltd.	Bharikhola, Jorethang,South Sikkim	Pharmaceuticals
4	Epitome Plast-O-Pack.	Manpur, South Sikkim	Pet preform
5	Zydus Wellness Sikkim	Mamring, South Sikkim	Cosmetics/ Food
			Products
6	SICPA India (P) Ltd.	Mamring, South Sikkim	High Security Ink
7	Sikkim Organics	Manpur, South Sikkim	Petroleum Based
			Products
8	RPC Polymers (P) Ltd.	Manpur South Sikkim	Pet preform
9	Ess Vee Gee Breweries (P) Ltd.	Manpur, South Sikkim	ENA/Cattle feed
10	Yuksum Breweries Ltd.	Melli South Sikkim	Beer
11	Swiss Garnier Genexiaa Sciences	Mamring Busty P.O Rangpo	Cosmetics
		South Sikkim -737132	
12	Micro Labs Ltd.	Mamring Namthang Road P.O	Pharmaceuticals
		Rangpo South Sikkim -737132	

#### WEST DISTRICT-

Sl. No	Name	Location	Main Activity Manufacturing
1	The Aryan Regency	Lower Pelling, West Sikkim	Hotel 2 Star
2	The Retreat by Zuri	Baiguney West Sikkim	Hotel 3 Star

#### NORTH DISTRICT-

Sl. No	Name	Location	Main Activity Manufacturing
•			
1	The Modern Regency	Lachung North Sikkim	Hotel 2 Star

#### The State public Sector Enterprises are:

:

• SIDICO – Sikkim Industrial Development and Investment Corporation Ltd., Bhanu Path, Tashiling, Gangtok, East Sikkim:

.

- GFPF- Governemnt Food Preservation Factory, Singtham, East Sikkim
- Temi Tea Estate, Temi South Sikkim

However, three of the State Public Sector undertakings have been closed because these units have been incurring huge losses over the years. These three units are SITCO, Sikkim Jewels Ltd. and SPI Ltd.

#### LIST OF PROSPECTIVE INDUSTRIES/ MSME ACTIVITIES IN SIKKIM

- 1. Potato Wafers.
- 2. Spice & Curry Powder.
- 3. Pickles & Condiments.
- 4. Popcorn
- 5. Mini Bakery
- 6. Wax Candle
- 7. Detergent (Cake/Liquid)
- 8. Screen Printing
- 9 Automobile Servicing
- 10. Laundry
- 11. Beauty Parlor
- 12. Readymade Garments
- 13. School Bags & Uniform Fabrication.
- 14. G.I. Wire Netting for Boulder Binding
- 15. Steel wooden furniture fabrication/repair
- 16. Carpentry Shop
- 17. Watch repairing and servicing
- 18. Paper/Leaf Plate Making
- 19. Vermi composting
- 20. Mini Printing Press
- 21. Tourist Information service centre
- 22. Poultry
- 23. Piggery
- 24. Herbal Medicine
- 25 Repairing of Electrical and Electronics Household items
- 27 Cut flower preservation
- 28 Umbrella Assembly
- 29 Video & Audio CD Recording
- 30 PCO & Xerox
- 31 X-Ray & Diagnostic Centres
- 32 Orchid & Exotic Plant Packaging
- 33 Medicinal Plant cultivation
- 34 Milk & milk products processing.
- 35 Squash, Jam & Jelly etc.
- 36. Wool Knitting both by hand and machine operated
- 37. Packaging unit of food products and other items
- 38. Incense stick from local forest based products
- 39. Spectacle lens grinding
- 40 Tea Packaging
- 41. Sanitary Napkins
- 42. Sugar Candy.
- 43. Dehydrated leaf/flower/plants
- 44. Stone chips crushing (Mobile stationery)
- 45. Aluminum Fabricated Door & Windows
- 46. M.S. Rolling & collapsible Shutters

- 47. Wrought Iron furniture
- 48. M.S. Building Hardware
- 49. Umbrella assembling unit
- 50. Automobile garage
- 51. Two & three wheeler repairing & servicing
- 52. Broom Bindings
- 53. Pump & Generator set repairing & servicing
- 55. Distribution & Logistics Boxes
- 56. Heater/Geysers
- 57. Servicing of Electrical gadgets.
- 58. Tapioca Papad/Powder.
- 59. Woolen Garments Manufacturing.

**Future Prospect**: The future prospect of the development of the enterprises in the state is very encouraging. A good number of small and medium manufacturing industries have also been set up in the state. These units are providing employment opportunities not only to the unemployed youths of the state but also to those from outside the state. These industries are mainly engaged in the manufacturing of pharmaceutical products, chemicals, pet bottles, food products, iron rods, liquors, paper cartons, etc. Further, with the development of tourism in the state many small and medium service units have been set up. These units are mainly engaged in Hotels & Resorts, Home Stays, etc.

#### Reason Why You Should Consider Investment in Sikkim:

- Most peaceful state in the country
- Availability of quality power supplies
- Abundant water
- Harmonious Labour relationship
- All four districts are "No Industry District"
- Availability of sufficient educated man power
- Investors" friendly atmosphere
- Superb transportation and communication network
- Attractive packages of incentives

For development of Industries in the State of Sikkim Ministry of Commerce and Industry, Department of Industrial Policy and Promotion, Govt. of India vide no. 14(2)/2002-SPS Dated 23<sup>rd</sup> December 2002 approved a special package of Incentives.

#### THE POLICY INITIATIVES UNDERTAKEN BY THE CENTRAL & STATE GOVT.

The State Govt. of Sikkim has embarked upon the rapid industrialization of the state. It has enacted a no. of policy measures to assist the investors for setting up industries in Sikkim. These measures include among others investment subsidy on total investment; subsidy on captive power generating sets; special incentive to the pioneer unit; special incentives for women entrepreneurs; stipendiary support for EDP; allotment of land; subsidy on state transport; power subsidy, etc. Ministry of Commerce and Industry, Department of Industrial Policy and Promotion, Govt. of India has approved a package of fiscal incentives and other concessions for the North East Region which include among others excise duty exemption; income tax exemption; capital investment subsidy; interest subsidy; comprehensive insurance; incentives for service/ other sector industries; incentives for bio-technology industry; incentives for power generating industries; transport subsidy, etc. The Policy Initiatives undertaken by the State and Central Govt. towards industrialization of the state is given below:

#### EXTRAORDINARY

#### PUBLISHED BY AUTHORITY

Gangtok Friday, 7<sup>th</sup> July, 2000 No. 232

#### GOVERNMENT OF SIKKIM LAW DEPARTMENT GANGTOK

No. 18/LD/2000 NOTIFICATION Dated 6.7.2000

The following Act of the Sikkim Legislative Assembly having received the assent of the Governor of  $3^{\rm rd}$  day of July,2000 is hereby published for general information.

# THE SIKKIM INDUSTRIAL PROMOTION AND INCENTIVE ACT,2000 (ACT NO. 18 OF 2000) AN ACT

To make provisions for incentives for tiny, small scale, medium scale and large scale industries set up within the State of Sikkim.

Whereas it is expedient to make provisions for incentives for tiny, small scale, medium scale and large scale industries set up within the state of Sikkim.

Be it enacted by the Legislature of Sikkim in the Fifty first Year of the Republic of India as follows:-

Short title and commencement

- 1. (1) This Act may be called The Sikkim Industrial Promotion and Incentive Act.2000
  - (2) It shall come into force at once.

#### **Application**

2. This Act shall be applicable to all industrial units existing on the date of commencement of this Act and also the industrial unit as may be set up after the

Commencement of this Act. Notwithstanding anything contained herein the industries set up

prior to commencement of this Act and enjoyed benefits, concessions, incentives or some other package of subsidies etc. for a period of five years under any Notification or Rules or

Orders of Schemes etc. shall not be eligible for any benefits under this act.

#### **Definitions**

- 1. In this Act unless the context otherwise required:-
  - (a) "Artisan and tiny units, small Scale Units and Medium/Large scale Units" mean an Industrial Unit as defined by the government of India from time to time and includes co-

- (b) "Capital" means the total investment of money on tangible assets like building, etc. And intangible assets like good will,
- (c) "Company" means a unit registered under the provision of the law relating to registration of Companies for the time being in force in the State;
- (d) "Co-operative Society" means any co-operative industrial unit registered under the Sikkim Co-operative Society Act, 1978;
- (e) "Fixed Investment" means investment made in land building, plant and machineries and other capital goods;
- (f) "Partnership Firm" means a unit formed by two or more persons;
- (g) "Proprietorship" means a unit owned by a single person"
- (h) "Small Scale Industry" means where the investment in fixed assets in plant and machineries, (i.e. excluding the cost of land, building, etc.) whether held on ownership terms or on lease or on hire purchase, not exceeding 100 lakhs;
- (i) "Working Capital" means that component of fund loan which is required for meeting up the expenditure on day to day operation of a unit including cost of inventories, raw materials, component works in progress and operative expenses like wages, salaries, power charges and other recurring expenses;
- (j) "Working Capital Loan" means a loan required for acquisition current assets for meeting day to day requirements of an industrial unit for completing the operation cycle and include cash credit and over draft facilities and any other short term loan required by the industrial unit;
- (k) "Y<sub>s</sub>ear" means the financial year commencing on the first day of April and ending on the 31 day of March next following.

#### Disqualification

2. Where an industrial unit falls to furnish any information or material particulars or record or document or having received the benefits available under the act is found to have resorted to malpractice or misused benefits of concessions or suppresses or furnishes wrong information or is otherwise found to have not acted bonafide shall be disqualified from availing any benefits or concession or incentive under the Act.

#### Sanctioning, recovery, Reimbursement etc.

3. Sanctioning authority for benefits/incentives under this Act shall be such as would be notified by the State Government from time to time who shall also be the authority to receive all applications for such incentives or benefits and also shall deal with any issue of recovery, reimbursement or adjustment.

#### **Subsidy of Interest on Working Capital**

4. Where an industry has received or is eligible to receive subsidy on interest, such subsidy will be for interest in excess of 14% of the interest payable by the industrial unit on the working capital loan and will be available for a period of five years in the following manner to different categories of industries from the date of obtaining the loan.

<b>Artisan and Tiny</b>	<b>Small Scale Units</b>	Medium/Large	
Scale Units		<b>Scale Units</b>	
Rs.10,000.00 (Rupees	Rs. 50,000.00	Rs. 1,00,000.00	
Ten thousand) or actual	(Rupees fifty thousand)	(Rupees one lakh)	
Difference in interest	or actual difference	or actual, difference	
w hichever is less,	interest, whichever is less	in interest whichever	
		т 1	

Is less.

#### **Price Preference**

5. Industrial units either small or large set up within the territory of State of Sikkim shall enjoy a price preference to the extent of 15% over the rates of price quoted for same product having same or equivalent quality brought from outside the state.

#### Subsidy on power

6. An industrial unit consuming power unto Rs.50,000.00 per annum shall be eligible for 50% reimbursement.

#### Exemption on security deposit and/or earnest money.

7. Industrial unit shall be exempted from payment of security deposit and or earnest money in respect of lenders or quotations for purchase of stores by Government Department.

#### International Standard Organisation/Indian Standard Institute Certification.

8. The industrial unit shall obtain Indian Standard Institute/International Standard Organisation Certificate in respect of their products to compete at the state and national level and to ensure product quality and for such the State Government shall reimburse 100% of the expenditure incurred on the registration fees, testing fees, annual license fees, purchase of testing equipment provided the maximum amount payable by way of reimbursement shall not exceed Rs.25,000.00.

### Subsidy on Registration Fee of Promotion council, Indian Standard Institution, Commodity Board, Chamber of Commerce.

9. The amount spent by an industrial unit in obtaining a registration with Promotion Council. Indian standard institution, Commodity Board, Chamber of Commerce, etc. shall be reimbursed to the unit, subject to a maximum of rs.10,000.00 (Rupees ten thousand) or the actual registration fee, whichever is less.

#### **Taxation matter**

- 10. Exemption under Notification No.2/TIC dated the 16<sup>th</sup> February,1974 will continue. **Periods of exemption**
- 13. (1) The benefits, concessions or exemptions as conferred under this Act shall be for such period as may be notified by the sanctioning authority.
  - (2) The sanctioning authority may with the approval of the Government from time to time, notify such additional benefits, concessions or exemptions applicable to industrial units as may be considered desirable.

#### **Power to Remove Difficulties**

14. If any difficulty arises in given effect to the provisions of this Act, the Government may be order not in consistent with the provisions of this Act, remove such difficulties.

#### Repea

All the notifications, orders, instructions, circulars, schemes etc. issued from time to time for

the purpose of extending benefits/incentives/concessions to industry both tiny, small scale or medium/large scale industry are hereby repeated.

By Order of the Governor.

T.D. Rinzing,
Secretary to the Govt. of
Sikkim, Law Department

#### **SIKKIM**

#### GOVERNMENT GAZETTE

### EXTRAORDINARY PUBLISHED BY AUTHORITY

Gangtok	Monday18th August, 2003	No. 264	
	PUBLISHED BY AUTHORITY		
Gangtok	Monday18th August, 2003	No. 264	

#### GOVERNMENT OF SIKKIM LAW DEPARTMENT GANGTOK

No. 11/LD/RC/2003

Dated 13<sup>th</sup> August.2003

#### **NOTIFICATION**

The following Act of the Sikkim Legislative Assembly having received the assent of the Governor on 4<sup>th</sup> day of August,2003 is published for general information:-

### THE SIKKIM INDUSTRIAL PROMOTION AND INCENTIVE (AMENDMENT) ACT, 2003 (ACT NO. 11 OF 2003)

#### AN ACT

To amend the Sikkim Industrial Promotion and Incentives Act,2002. BE it enacted by the Legislature of Sikkim in the Fifty-Fourth Year of the Republic of India as follows:-

### Short title and commencement

1.

2.

- (1) This Act may be called the Sikkim Industrial Promotion and incentive (Amendment) Act,2003
- (2) It shall come into force at once.

### Amendment of Section 2.

- In the Sikkim Industrial Promotion and incentive Act 2000, (hereinafter referred to as the said Act), section 2 shall be Renumbered as sub-section (1) of that section and in sub-section (1) as so renumbered, for the work "five" the work "ten" shall be substituted and after sub-section (1) as so renumbered, the following sub-sections shall be inserted, namely:-
  - "(2) The scheme will also be applicable to existing units in case of diversification, modernization and expansion."
  - (3) diversification modernization and expansion should entail enhancement in the existing capacity by at least 25% and the package of incentive admissible to the unit shall relate to the expanded portion only. For the purpose of this calculation undepreciated value of the capital investment made on land, building, plant and machinery of the unit will be taken into consideration.

#### **Amendment of**

3. In the said Act, in section 3,

Section 3

i) After clause (d) following clauses shall be inserted, namely:-

"(dd) diversification" means separately identifiable investment made by an existing Industrial unit in the fixed capital assets to set up a project for manufacturing of new product(s) provided that the additional investment in the fixed assets is not less that 25% of the gross fixed capital and increase of additional employment is at least by 10%.

"Expansion" of an industrial units means additional fixed unit. For the purpose of calculation, gross value of all the capital investment made on land, building and plant machinery of the existing unit will be taken into consideration. Expansion whall also imply an increase of at least 25% in the existing installed capacity as well as increase of additional employment of at least by 10%. Prior to going for expansion, the units should be operating at least at a minimum of 80% capacity during the three previous years."

(ii) after clause (e),the following clause shall be inserted, namely:-

"(ee) "Modernization" means separately identifiable investment made by an existing industrial unit in the fixed capital technology having a definite advantage in reduction of cost of production provided that the additional investment in the fixed assets should not be less that 25% of the gross fixed capital.

The incentive available to the unit undergoing expansion/diversification/modernization shall be for the additional investment made and/or the increase in production over the average of three previous years prior to the year when the unit goes for expansion/diversification as applicable. The year for this purpose shall mean a financial year. The units which have taken up expansion/diversification/modernization plan prior to coming into force of this policy should intimate the concerned agency within three months from the date of implementation of the policy".

**Amendment of** 4. In the said Act, for the existing section 5, the following **Section 5.** section shall be substituted, namely:-

"Sanctioning Authority 5

For the benefits/incentives under this Act, the following authorities shall have the power of sanctioning namely:-

- (1) General Manager of District Industries Centres up to Rs.10,000/-(Rupees ten thousand).
- (2) Director of industries upto rs.1,00,000/- (Rupees one lakh)
- (3) Secretary Industries up to rs.1,50,000/- (Rupees one lakh and fifty thousand).
- (4) Minister-in-charge, Industries all cases above Rs.1.5 lakhs to rs. 5 lakhs (Rupees five lakhs)
- (5) There shall be a Committee constituted under the Scheme consisting of the Minister Industries with secretary, Industries, secretary, Finance and director Industries as members who shall sanction subsidies incentive between rs. 5 to 8 lakhs (Rupees five to eight lakhs).
- (6) All cases above Rs. 8 lakhs (Rupees eight lakhs) will be placed in the Cabinet."

Insertion of

5. In the said Act, after section 6, the following sections shall

#### **New section**

be inserted, namely:-

**6A**. An investment subsidy on the total investment shall be "Subsidy on State provided on a graded level to the industry. It will be Capital Investment available to both new as well as those carrying out expansion, diversification or modernization activities.

Artisan and Tiny Scale Unit		SmallScaleIndustries Scale Unit		Medium/Large Scale Unit	
a) 15 p capi in mac to a rs.30 (Ru)	percent of total tal investment plant and hinery subject maximum of 0,000/-pees thirty is and).	a)	10 percent of total capital investment in plant and machinery subject to a maximum of Rs.5 lacs. (Rs. Five lakhs)		5 percent of total capital investment in plant and machinery subject to a maximum of Rs.10 lakhs (Rupees ten lakhs)).
b) 30 j capi in mac to a rs.60 (Ruj thou unit loca	percent of total tal investment plant and hinery subject maximum of 0,000/- pees sixty is and), for s set up by	b)	For units set up by local entrepreneurs 10 percent of total capital investment in plant and machinery subject to a maximum of Rs. 10 lakhs (Rs. Ten lakhs).		For units set up by local entrepreneurs 10 percent of total capital investment in plant and machinery subject to a maximum of Rs,15 lakhs (Rupees fifteen lakhs).
c) For the perc capi in mac to a Rs.4	epreneurs. units set up in thrust areas 20 ent of total tal investment plant and hinery subject maximum of 60,000/- (Rs. y thousand).	c)	For units set up in the thrust areas 15 percent of total capital investment in plant and machinery subject to a maximum of Rs. 7 lakhs (Rs. Seven lakhs)	t ( i 1 1	For units set up in the thrust area 10 percent of total capital investment in plant and machinery, subject to a maximum of Rs.15 lakhs (Rupees fifteen lakhs)
d) For the loca entre percentage in mace to a rs.80 (Ruj	units set up in thrust areas by l epreneurs 20	c i r t F	For units set up in the thrust areas by local entrepreneurs 15 percent of total capital investment in plant and machinery subject to a maximum of Rs.14 lakhs Rupees fourteen akhs)	t t i n la	for units set up in the thrust areas by local entrepreneurs 20 % of total capital investment in plant and machinery, subject to a naximum of Rs. 30 akhs (Rupees thirty akhs).

**Subsidy on** Captive power Generating sets.

- **6B** (1) In order to encourage and assist industrial units to be self sufficient in their requirements of powers, the State Government shall subsidies upto 20 percent of the clost of purchase of captive power generating sets subject to a maximum of Rs. 1 lakh (Rupees one lakh). And in case of units set up by local entrepreneurs subsidy will be 50 percent subject to a maximum of rs.2 lakhs.
- (2) Industries set up in the thrust area shall get a 30 percent subsidy subject to a maximum of rs.1.25 lakhs (Rupees one lakhs and twenty five thousand). Incase of units set up by local entrepreneurs in the thrust area subsidy will be 60 percent subject to a maximum of rs.2.50 lakhs.

### **Special incentive**

**6C.** a new unit with fixed capital investment exceeding As. 3 To the Pioneer Unit crores set up in a district where there are no medium or large Scale Industries will be given pioneer status. Such unit will be eligible for additional state Capital Investment Subsidy of 5% of fixed capital investment subject to a ceiling of rs.1.0 lakhs. Such units will also be given Power subsidy for an additional period of 2 years.

#### **Special incentive** for women entrepreneurs.

- **6D**. Special incentives as detailed below shall be granted to Women entrepreneurs namely:-
- (1) Additional state Capital Investment subsidy of 5% subject to a ceiling of Rs.5 lakhs which constitute more than 50% of the workforce in the industry.
- (2) additional Interest Subsidy on working capital of 2% subject to a ceiling of 1 lakh for a period of three years from the date of commencement of commercial production.
- (3) Built up factory sheds shall be allotted to the women entrepreneur on priority basis and the rent will be subsidized @ 75% of the economic rent for a period of five years from the date of commencement of commercial production.

#### **Stipendiary Support for EDP**

**6E**. Stipend at the rate of Rs.500/-(Rupees five hundred) per month trainee shall be provided for training of 100 youth annually for special entrepreneurship development Programme (EDP) to be conducted by Government approved/recognized institutions subject to the condition that the training period shall not be less than 3 (three) month duration.

**Reimbursement of 6F**. Small Scale, Village and cottage Industrial Units will be **Stamp** reimbursed in full for the amount paid towards stamp duty Registration Fee **Duty and** and registration fee for securing loans and other incentives from

Financial Institutions including mortgage of fixed assets. The reimbursement will be admissible after disbursement of loan by financial Institutions/Banks and will be subject to the condition that the assets mortgaged would not be transferred for a period of 5 years.

#### Local employment Promotion grant

- **6G**.(1) The state Government will reimburse annually upto 30% (thirty percent) of the realistic wage bill for local employees. This would be for three years from the date of entertainment. The maximum limit of such subsidy is Rs.1 lakh (Rupees one lakh)
- (2) Fifty percent of the cost incurred on the training of local employees will be reimbursed subject to the following conditions namely:-
- (a) Such trained person shall be absorbed in the unit failing which the unit will refund the subsidy amount paid for the same.
- (b) Training shall be conducted in an Institute approved by the State Government.

#### Subsidy on cost Incurred on quality Control measures

- **6H** (1) Cost of Laboratory Equipment for the purpose of quality control and ISI certification subject to a maximum
- of Rs. 10,000/- (Rupees ten thousand) per unit will be reimbursed in cases where it does not form part of the project cost. For local entrepreneurs rs.20,000/- (Rupees twenty thousand) per unit will be reimbursed.
- (2) Export oriented units committing to export at least 50% (fifty percent) of the value of the turnover will be eligible for an additional reimbursement of rs.1,00,000/- (Rupees one lakh) against such quality control measures. For local entrepreneurs Rs.2,00,000/- (Rupees two lakhs) will be reimbursed.

#### Subsidy on Consultancy Service

- **6I** An industrial unit shall receive a one time subsidy on on consultancy charge paid to an approved consultant as per the scale noted below:-
- (1) For project upto Rs. 10 lakhs ten lakhs)

3% subject to maximum (Rupees of Rs.20,000/- (Rupees

twenty thousand). For local entrepreneurs 6% subject to maximum of Rs.40,000/- (Rupees forty thousand).

(2) For project above Rs.1.0 lakhs

3% subject to a maximum of Rs.1,00,000/- (Rupees one lakh). For local entrepreneurs 6% subject to maximum of Rs.2,00,000/- (Rs. Two lakhs)

# Subsidy on study tours and inplant Training.

6J Entrepreneurs sent out side Sikkim with the approval of the Director of Industries for study tours and in plant Training shall be eligible for reimbursement of the return journey expenses of second class train fare and an allowance of Rs.1,000/- (Rupees one thousand) per monism per entrepreneur; Provided that the period of such a study tour/inplant training should not exceed three months and the entrepreneur shall give an

undertaking in writing to the Department of Industries that he/she shall start an industrial unit after obtaining the necessary technical know how of the industry concerned.

The study tour and in plant training for a period not exceeding three months may also be made available for workers who are sent outside the state.

Provided that the industrial unit sending such workers shall obtain and undertaking from them that than shall work in the unit at least for a period of three years from the date they complete training. The reimbursement of expenditure on return journey of second class by train and allowance of rs.500/- (Rs. Five hundred) per workers shall be eligible to the industrial unit concerned in such cases.

#### Allotment of land

**6K** The state Government shall endeavour to provide a developed land with all infrastructure facilities at Growth Centres to all new units except those in the "Services" and Village Industries Sector" in the following manner, namely:-

- 1) The developed land will be allotted on lease basis for a period of 30 (thirty) years.
- 2) The State Government will subsides the cost of land development at the rates given below:
- a) Small Scale Industries 25%
- b) Export Oriented Unit and Units owned and managed by local Entrepreneurs-30%
- c) Large and medium Units (as per definition) 15%
- 3) The cost of land development will be recovered from the allottee or Industrial units after framing allotment rules, which shall be notified.

#### Subsidy on State Transport

of 50% for transportation of plant and machineries from any part of India to the location of unit in Sikkim at maximum limit of Rs. 1 lakh (Ruppes one lakh). For local entrepreneurs the maximum limit will be Rs. 2 lakhs (Rupees two lakhs)

### Subsidy for Technical knowhow

**6M** A subsidy of 50% shall be admissible to meet the cost of technical know-how obtained from organizations approved in advance by Government of Sikkim on a case to case basis. The subsidy will be released only on commencement of commercial production. The subsidy will be 60% for Small Scale Industrial Units set up in thrust areas and Export Oriented Unit.

# Special Incentives For Agro & Food Processing Industries

**6N** Special incentives shall be granted to the Agro and Food processing industries as detailed below:

- 1. Additional state capital Investment Subsidy of 5% subject to a ceiling of rs. 5 lakhs for agro and food processing industries.
- 2. 50% of the cost payable for getting Food Product Order (FPO) license/AGMARK/Trade Mark for the products for food processing industries subject to a maximum ceiling of Rs. 1 lakh (Rs. One lakh)

**Amendment of section 6** In the said Act, for the existing section 8, the following section shall be substituted namely:-

#### **Power Subsidy**

- 8 (1) There shall be 100% reimbursement of power bill for an industrial unit consuming up to Rs. 50,000/- (Rupees fifty thousand) per annum. The reimbursement above Rs.50,000/- (Rupees fifty thousand) shall be to the extent of Rs. 50,000/- (Rupees fifty thousand) plus 25 percent of the balance of actual payment subject to a maximum of Rs. 2 lakhs. (Rupees two lakhs)
  - (2) The state government shall grant a subsidy of 30 percent power tariff to industrial units coming up in Growth Centre in Thrust Areas.
  - (3) 50% of the cost incurred on linking of power from the main line to the factory shed subject to a maximum ceiling of Rs.50,000/- (Rupees fifty thousand)
- **Insertion of new section**
- Concession on state And Central Sales Tax

(4) Power tariff to the Industries shall be levied at the cost of production as and when available.

7 In the said Act, after section 12, the following section shall be inserted, namely:-

12A (1) the State Sales Taxes shall be exempted for a period of 10 (ten) years from the date of commencement of actual Commercial Production. However, for the units set up in the thrust areas, the exemption period will be 12 (twelve) years.

- (2) The levy of State excise duty and sales tax on units manufacturing alcoholic products will continue as per notification 6/CGO/90/DI/95-96/784 dated 03/10/2000.
- (3) Exemption of Central Sales Taxes and Central Excise Duties will be governed by various Notifications/Orders issued by Government of India in this regard.

By Order

T.D. Rinzing
Secretary to the Govt. of Sikkim
Law department
F.No.16(82)LD/2003

#### **SIKKIM**

#### GOVERNMENT GAZETTE

#### EXTRAODDINARY PUBLISHED BY AUTHORITY

Gangtok Monday, 17<sup>th</sup> February,2003 No.32

#### GOVERNMENT OF SIKKIM

#### DEPARTMENT OF INDUSTRIES

#### No. GO/2/DI/2002-2003/901

Dated 17/2/2003

#### **NOTIFICATION**

The Notification/Memorandum issued by Ministry of Commerce and Industry, Department of Industrial Policy and Promotion, Govt. of India vide No.14(2)/2002-SPS, dated 23<sup>rd</sup> December,2002 approving a special package of incentives for development of Industries in the State of Sikkim, is hereby reproduced for general information of the public and the entrepreneurs as under:

No. 14(2)/2002-SPS Government of India, Ministry of Commerce and Industry, (Department of Industrial Policy and Promotion) New Delhi, Dated 23<sup>rd</sup> Dec.,2002.

#### **OFFICE MEMORANDUM**

Subject: New Industrial Policy and other concessions for the State of Sikkim.

The Government of Sikkim has requested for a special package for development of industries in the state on the lines for the North East Industrial Policy notified by the Central Government vide Ministry of Industry's OM No. EA/1/2/96-IPD dated 24<sup>th</sup> Dec.,1997. Discussions on strategy and Action Plan for development of Industries and generation of employment in the State of Sikkim were held with the various related Ministries on the issues inter alia, infrastructure development, financial concessions and easy market access.

- 2. Keeping in view the fact that the state of Sikkim lags behind in industrial development, a need has been felt for structured interventionist strategies to accelerate industrial development of the State and boost investor confidence. The new initiatives would provide the required incentives as well as an enabling environment for industrial development, improve availability of capital and increase market access to provide a fillip to the private investment in the state.
- 3. The matter has been carefully considered by the Government and it has been decided to provide the following package of incentives for the State of Sikkim.

- 3.1 Fiscal Incentives to new Industrial Units and substantial expansion of existing units:
  - i) New industrial units and existing industrial units on their substantial expansion as defined, set up in Growth Centre, Industrial Infrastructure Development Centers (IIDC) and other locations like industrial Estates, Export Processing Zones, Food Parks, IT Parks, etc., as notified by the Central Government are entitled to 100% (hundred percent) income tax and excise duty exemption for a period of 10 years from the date of commencement of commercial production. Thrust Sector Industries as mentioned in Annexure II are entitled to similar concessions in the entire State of Sikkim without area restrictions.
  - ii) All New industries in the notified location would be eligible for capital investment subsidy @ 15% of their investment in plant and machinery, subject to a ceiling of As 30 lakhs. The existing units will be entitled to this subsidy on substantial expansion, as defined.
  - iii) An interest subsidy of 3% on the working capital loan would be provided to all new industrial units in notified locations for a period of 10 years after the commencement of commercial production. This benefit would also be extended to existing units in notified locations on expansion as defined, as well as to Thrust Industries shown in Annexure II.
  - iv) The insurance premium to the extent of hundred percfent on capital investment for a period of 10 years would be extended by the Central Government to all new units and to existing units on their substantial expansion, as defined.

#### 3.2 Development of Industrial Infrastructure:

- i) The funding pattern under the Growth Centre Scheme currently envisaging a Central assistance of As 10 crore for each centre is raised to As 15 crore per centre.
- ii) The financing pattern of Integrated Infrastructure Development Centres (IIDC) between Government of India and SIDBI will change from 2:3 to 4:1, and the GOI funds would be in the nature of a grant, so as to provide the required infrastructures support.
- 3.3 The above concessions/subsidies shall be available to all new units and to the existing industrial units on their substantial expansion as defined, in the industrial areas notified by the central Government (Annexure-I) and Thrust Industries (Annexure-II) irrespective of location.
- 3.4 Ineligible industries under the policy:

Tobacco and tobacco products including cigarettes/cigars/gutka, etc. Aerated branded beverages, and Pollution causing paper and paper products.

#### 3.5 Nodal Agency:

North Eastern Development Finance Corporation Limited (NEDFI) would be designated as the Nodal Agency for routing the subsidies/incentives under various schemes notified under this policy.

#### **Explanation:**

- (i) The eligible areas for above concessions and thrust industries are as identified in Annex-I & Annex-II respectively.
- (ii) The notification regarding definition of substantial expansion of the existing units shall be issued separately.
- 4. Government reach, yes the right to modify any part of the policy in public interest.
- 5. The Ministry of Finance, Department of Revenue, Department of Development of North Eastern Region, etc. are requested to amend Act/rules/notifications, etc. and issue necessary instructions for giving affect to these decisions.

Secretary Industries Govt. of Sikkim

#### Annexure - I

Identified locations for notification under the new industrial Policy for the State of Sikkim.

#### 1. EAST DISTRICT

Gangtok Sub-Division in East District

Rangpo-Mazitar-Bardang-Singtam-Topachani-Martam-32 Mile-West Namli (Radong)-Samlik-Marchak-Ranipool-Tadong-Deorali-Gangtok-Burtuk-

Bhojogari-Panthang-Pen long-Adam Pool-Rumatek.

Pakyong Sub-Division in East District

Ranipool-Saramsa-Aho-Chota Singtam-Namchey Boong-Lal Turning-

Pakyong.

#### 2. SOUTH DISTRICT

Namchi Sub-Division in South District

Melli-Lower Kitam-Manpur-Mazitar-Jorethang-(Along the state Highway)

Jorethand-Karfektar-Chisopant-Nandugaon-Namchi-Boomtar-Mamring

#### 3. WEST DISTRICT

Soreng Sub-Division in west District

Rohtak-Piplay-Baiguney-Reshi-Legship-Naya Bazar-Cudang-Soreng

#### 4. NORTH DISTRICT

Mangan Sub-Division in North District

Chungthang

Chungthang Sub-Division in North District

Lachen-Lachung

### <u>Annexure – II</u>

#### THRUST INDUSTRIES

	THRUST INDUSTRIES
Sl.No.	Activity
1.	Agro-based industries- Floriculture & Horticulture.
2.	Animal Husbandry & Dairy Products.
3.	Minor Forest Based Products.
4.	Handloom, Handicraft & Village Industries.
5.	Tourism/ Hospitality.
6.	Precision Oriented, High Value, Low Volume Products.
7.	Hydel Power.
8.	Tea.
9.	Education.
10.	Pharma Products
11.	Biotechnology

#### File No. 10(3)/2007-DBA-

#### II/NER Government of India

### Ministry of Commerce and Industry

### Department of Industrial Policy and Promotion

New Delhi dated the 1<sup>st</sup> April, 2007

### OFFICE MEMORANDUM

#### Subject: North East Industrial and Investment Promotion Policy (NEIIPP), 2007

The Government has approved a package of fiscal incentives and other concessions for the North East Region namely "The North East Industrial and Investment Promotion Policy (NEIIPP), 2007', effective from 1.4.2007, which, inter-alia, envisages the following:

#### (i) Coverage :

The North East Industrial Policy (NEIP), 1997 announced on 24/12/1997 covered the States of Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland and Tripura. Under NEIIPP, 2007, Sikkim will also be included. Consequently, the "New Industrial Policy and other concessions for the State of Sikkim" announced vide O.M. No. 14(2)/2002-SPS dated 23/12/2002 and the Schemes there under i.e. Central Capital Investment Subsidy Scheme, 2002, Central Interest Subsidy Scheme, 2002 and Central Comprehensive Insurance Scheme, 2002, notified vide Notifications No. F. No.

14(2)/2002-SPS dated the 24.12.2002 will be discontinued from 1.4.2007.

#### (ii) Duration

All new units as well as existing units which go in for substantial expansion, unless otherwise specified and which commence commercial production within the 10 year period from the date of notification of NEIIPP, 2007 will be eligible for incentives for a period of ten years from the date of commencement of commercial production.

#### (iii) Neutrality of location:

Incentives will be available to all industrial units, new as well as existing units on their substantial expansion, located anywhere in the North Eastern Region. Consequently, the distinction between "thrust" and "non-thrust" industries made in **NEIP**, **1997** will be discontinued from 1.4.2007.

#### (iv) **Substantial Expansion**:

Incentives on substantial expansion will be given to units effecting "an increase by not less than 25% in the value of fixed capital investment in plant and machinery for the purpose of expansion of capacity/modernization and diversification", as against an increase by 33 ½ % which was prescribed in NEIP, 1997.

#### (v) **Excise Duty Exemption**:

100% Excise Duty exemption will be continued, on finished products made in the North Eastern Region, as was available under NEIP, 1997. However, in cases, where the CENVAT paid on the raw materials and intermediate products going into the production of finished products (other than the products which are otherwise exempt or subject to nil rate of duty) is higher than the excise duties payable on the finished products, ways and means to refund such overflow of CENVAT credit will be separately notified by the Ministry of Finance.

#### (vi) **Income Tax Exemption**:

100% Income Tax Exemption will continue under NEIIPP, 2007 as was available under

NEIP,

1997.

#### (vii) Capital Investment Subsidy:

Capital Investment Subsidy will be enhanced from 15% of the investment in plant and machinery to 30% and the limit for automatic approval of subsidy at this rate will be Rs. 1.5 crores per unit, as against Rs. 30 lakhs as was available under NEIP, 1997. Such subsidy will be applicable to units in the private sector, joint sector, cooperative sector as well as the units set up by the State Governments of the North Eastern Region. For grant of Capital Investment Subsidy higher than Rs. 1.5 crore but upto a maximum of Rs. 30 crores, there will be an Empowered Committee Chaired by Secretary, Department of Industrial Policy & Promotion with Secretaries of Department of Development of North Eastern Region (DONER), Expenditure, Representative of Planning Commission and Secretary of the concerned Ministries of the Government of India dealing with the subject matter of that industry as its members are also the

concerned Chief Secretary/Secretary(Industry) of the North Eastern State where the claiming unit is to be located. Proposals which are eligible for a subsidy higher than Rs. 30 crores, will be placed by Department of Industrial Policy and Promotion before the Union Cabinet for its consideration and approval.

#### (viii) **Interest Subsidy**:

Interest Subsidy will be made available @ 3% on working capital loan under

NEIIPP, 2007 as was available under NEIP, 1997.

#### (ix) **Comprehensive Insurance**:

New industrial units as well as the existing units on their substantial expansion will be eligible for reimbursement of 100% insurance premium

The following industries will not be eligible for benefits under NEIIPP, 2007:-

#### (x) **Negative List**:

- (i) All goods falling under Chapter 24 of the First Schedule to the Central Excise Tariff Act, 1985 (5 of 1986) which pertains to tobacco and manufactured tobacco substitutes.
- (ii) Pan Masala as covered under Chapter 21 of the First Schedule to the Central

Excise Tariff Act, 1985 (5 of 1986).

- (iii) Plastic carry bags of less than 20 microns as specified by Ministry of Environment and Forests Notification No. S.O. 705(E) dated 02.09.1999 and S.O. 698 (E) 17.06.2003.
- (iv) Goods falling under Chapter 27 of the First Schedule to the Central Excise

Tariff Act, 1985 (5 of 1986) produced by petroleum oil or gas refineries.

#### (xi) Incentives for Service/Other Sector Industries

Incentives under NEIIPP, 2007 will be applicable to the following service sector activities/industries:

#### I. Service Sector :

- (i) Hotels (not below Two Star category), adventure and leisure sports including ropeways;
- (ii) Medical and health services in the nature of nursing homes with a minimum capacity of 25 beds and old age homes;
- (iii) Vocational training institutes such as institutes for hotel management, catering and food crafts, entrepreneurship development, nursing and paramedical, civil aviation related training, fashion, design and industrial training.

A number of tax concessions under the existing provisions of Section 10A and 10AA of the Income Tax Act are already available to the IT sector. However, one of the important impediments to the development of Software Technology Parks or IT related SEZs in the North Eastern Region is the non-availability of trained human resources in the North Eastern Region. Accordingly, tax benefits as is availed under Section 80 IC of the Income Tax Act would be extended to IT related training centres and IT hardware units.

#### II. Incentives for Bio-technology industry :

The biotechnology industry will be eligible for benefits under NEIIPP, 2007 as applicable to other industries.

#### III. Incentives for Power Generating Industries :

Power Generating Plants will continue to get incentives as governed by the provisions of Section 81 A of the Income Tax Act. In addition, Power Generating Plants upto 10

MW based on both conventional and non-conventional sources will also be eligible for Capital Investment Subsidy, Interest Subsidy and Comprehensive Insurance as applicable under NEIIPP, 2007.

### (xii) Establishment of monitoring mechanism for implementation of the NEIIPP,

**20** 

**07** 

:

In order to establish a monitoring mechanism for implementation of NEIIPP, 2007, a

"High Level Committee"/an "Advisory Committee" under the Chairmanship of Secretary, Department of Industrial Policy and Promotion and comprising Secretaries of the Ministries/Departments of Revenue, Department of Development of North Eastern Region (DONER), Banking and Insurance, Representative of Planning Commission, CMD, NEDFI as well as major stakeholders including the industry associations of the North Eastern region would be constituted. In addition, an

"Oversight Committee" will be constituted under the Chairmanship of the Union Commerce and Industry Minister with Industry Ministers of NE States as its members.

#### (xiii) Value Addition

In order to ensure genuine industrial activities in the North Eastern Region, benefits under NEIIPP, 2007 will not be admissible to goods in respect of which only peripheral activities like preservation during storage, cleaning operations, packing, re- packing, labeling or re-labeling, sorting, alteration or retail sale price etc take place

#### (xiv) Transport Subsidy Scheme

The Transport Subsidy Scheme would continue beyond 31.3.2007, on the same terms and conditions. However, an early evaluation of the Scheme will be carried out with a view to introducing necessary safeguards to prevent possible leakages and misuse.

#### (xv) **Nodal agency**.

- 1. The North East Industrial Development Finance Corporation (NEDFI) will continue to act as the nodal agency for disbursal of subsidies under NEIIPP, 2007.
- 2. The "New Industrial Policy and other concession in the North Eastern

Region" announced vide O.M. No. EA/1/2/96-IPD, dated 24.12.1997 (NEIP, 1997) will cease to operate with effect from 1.4.2007. Industrial Units which have commenced commercial production on or before 31.3.2007 will continue to get benefits/incentives under NEIP, 1997.

- 3. Government reserves the right to modify any part of the Policy in public interest.
- 4. All concerned Ministers/ Departments of the Government of India are requested to amend their respective Acts/rules/notifications etc. and issue necessary instructions for giving effect to these decisions.

(N.N. Prasad)

Joint Secretary to the Government of India

No. 15/DST/2013

Date: 20/03/2013

#### **NOTIFICATION**

The Government of Sikkim is hereby pleased to notify Sikkim State Council Science and Technology (SSCS&T) as a Nodal Agency for Intellectual Property Right (IPR) and its related activities in the state in order to promote, streamline and route the IPR issue in the state.

The terms of reference of the Nodal Agency are as follows:-

- 1. To act as a Nodal Agency for IPR in the State of Sikkim.
- 2. To advice the State Government on IPR issues.
- 3. To promote IPR in the state through awareness activities.
- 4. Technical supper for Geographical (GI) registration of local items of the state under Geographical Indication Registration and protection Act, 1999.
- 5. Support prior art search, drafting & filing of invention (process & products) for patent Registration under patent Act, 1970.
- 6. Technical assistance for copyright registration of Literary and Dramatic/Artistic works as per the copyright Act, 1957.
- 7. Technical assistance for Trademark and Design registration of Sikkimese entrepreneur under Trademark Act, 1999 and Design Act, 2000.
- 8. Technical assistance for registration of local plant variety developed by progressive frame under farmers Breeders Right (FBR) or by institute/organization under Protection of plant Variety (PPV and FR) Act, 2001.
- 9. Documentation of traditional knowledge and its protection for traditional knowledge Digital Library (TKDL) and other related IPR forms.

#### BY ORDER AND IN THE NAME OF THE GOVERNOR

-Sd-(Karma Gyatso) IAS Chief Secretary to the Government File No. STCST/347/Dev

#### SIKKIM

#### **GOVERNMENT**

#### **GAZETTE**

#### **EXTRAORDINARY**

#### PUBLISHED BY AUTHORITY

Gangtok, Tuesday 1<sup>st</sup> May, 2007

No.165

#### LAW DEPARTMENT

#### **GOVERNMENT OF SIKKIM**

#### **GANGTOK**

No.11/LD/P/07 Date: 01.05.2007

#### **NOTIFICATION**

The following Act passed by the Sikkim Legislative Assembly and having received the assent of the Governor on the  $16^{\hbox{th}}$  day of April, 2007 is hereby published for general information:

THE SIKKIM INDUSTRIAL PROMOTIONAND INCENTIVE (AMENDMENT) ACT, 2007 (Act No.11 of 2007)

AN ACT

Further to amend the Sikkim Industrial Promotion and Incentive Act 2000

**BE** it enacted by the Legislature of Sikkim in the Fifty-eight Year of the Republic of India as follows:

**Short title and** 1. (1) This Act may be called the Sikkim Industrial

**Commencement.** Promotion and Incentive (Amendment) Act, 2007.

(2) It shall come into force at once.

### Amendment of

2.

**Section 6A** 

In the Sikkim Industrial Promotion and Incentive Act
2000 (hereinafter referred to as the said Act) Section
6 A shall be renumbered as sub-section (1) of that section
and after that sub-section (1) as so renumbered, the
following sub-section shall be inserted, namely:(2) "Where an Industrial unit already enjoying a Central
Investment Subsidy" shall not be eligible to claim State
Investment Subsidy under the Act.

Amendment of

**Section 8** 

3. In the said Act, in sub-section (2) of Section 8, after the words "Thrust Areas", the words and figure "subject to maximum of Rs.2 lakhs (Rupees two lakhs) shall be inserted.

Amendment of Section 12(A)

4. In the said Act, for the existing Section 12 A the following section shall be substituted, namely:

"12A (1) "The Value Added Tax (VAT) payable by an Industrial Unit shall be deferred for a period of 10(ten) years and for a period of 12(twelve) years for notified thrust industries from the date commencement of actual commercial production. These industrial units will be permitted to collect VAT and roll it back as working capital for the entire period of deferment as the case may be. At the end of the deferment period, the VAT collected will have to be remitted to the Government Account in four half yearly installments. In case of those units which are already enjoying the sales tax exemption the same will be converted into VAT deferral scheme as above for the remaining periods of their exemption as the case may be."

(2) The levy of State Excise Duty and Sales Tax on units

manufacturing alcoholic/beer products shall be governed by

such notification as may be issued by the State Government

from time to time.

(3) Central Sales Tax shall not be exempted.

By Order.

R.K.Purkayashta (SSJS) LR-cum-Secretary, Law Department

#### SIKKIM GOVERNMENT GAZETTE

**EXTRAORDINARY** 

PUBLISHED BY AUTHORITY

Gangtok 11th June,2013 No.281

**GOVERNMENT OF SIKKIM** 

LAW DEPARTMENT

**GANGTOK** 

No. 3/LD/RP/13 Dated: 5th June 2013

The following Notification which has been published in the Gazette of India Part – II section 3 sub-section (II) dated: 5th November, 2012 issued by the Ministry of Labour and Employment is hereby republished for general information:-

The Gazette of India

PUBLISHED BY AUTHORITY

WEEKLY

No. 46] NEW DELHI, NOVEMBER 11-NOVEMBER 17, 2012,

SATURDAY/KARTIKA20-KARTIKA 26, 1934

Separate Paging is given to this Part in order that it may be filled as a separate compilation

PART II-Section 3 – Sub-section (II)

Statutory Orders and Notification Issued by the Ministries of the

**Government of India** 

(Other than the Ministry of Defence)

XXXX XXXX

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XXXX XXXX

**XXXX** 

MINISTRY OF LABOUR AND EMPLOYMENT

XXXX XXXX

XXXX XXXX XXXX

XXXX

New Delhi, the 5th November, 2012

S.O. 3439.--- In exercise of the powers conferred by sub-section (3) of Section 1 of the Employees' State Insurance Act, 1948 (34 of 1948) the Central Government hereby appoints the 1st December, 2012, as the date on which the provisions of Chapter IV (Except Sections 44 and 45 which have already been brought into force) and Chapters- V and VI [except sub-section (1) of Section 76 and Section 77,78,79 and 81 which have already been brought into force] of the said Act shall come into force in the following areas in the State of Sikkim namely:-

Sl No Name of Revenue Areas Sub Division District

1. Areas falling within limits of Gangtok East Sikkim

**Gangtok Municipal Corporation** 

2. Areas falling within limits of Gangtok East Sikkim

Rangpo Nagar Pachayat

3. Areas falling within limits of Gangtok East

SikkimSingtam Nagar Panchayat

4. Areas falling within limits of Gangtok East Sikkim

**Central Pendam Gram Panchayat** 

5. Areas falling within limits of Namchi South

**SikkimMamring Gram Panchayat** 

6. Areas falling within limits of Gangtok East Sikkim

Sirwani Chalamthang Nagar

**Panchayat** 

[No S-38013/35/2012-S.S.I]

NARESH JAISWAL, Under Secy.

R.K. Purkayastha,

Advisor -cum- Principal Secretary,

Law & Parliamentary Affairs Department,

Gangtok

#### ORGANIZATIONS INVOLVED IN PROMOTING INDUSTRIES

Following are the brief description of different agencies for rendering assistance to the entrepreneurs/MSMES

	Type of assistance	Name and address of agencies
1.	Provisional Registration Certificate  ( EM-1) & Permanent Registration Certificate ( EM-II)	District Industries Centre,     (East & North ) Old SITCO     complex Deorali, Gangtok     East Sikkim.      District Industries Centre     (South & West) New     Shopping Plaza, Jorethang,     south Sikkim
2.	Identification of product, preparation of project profiles, techno-economic and managerial consultancy services, market survey and economic survey reports.	1.Directorate of Industries Kazi Road Gangtok,.  2 District Industries Centre, (East & North) Old SITCO complex Deorali, Gangtok East Sikkim.  3 District Industries Centre ( South & West) New Shopping Plaza, Jorethang, south Sikkim  4.MSME-DI, K K Singh Building, P.O.Tadong, Gangtok  4. SICON Church Road,

		Gangtok.
		5.North Easten Development Finance Corporation Ltd. , Yangthang House , Kazi road Gangtok
3.	Land and Industrial shed	Directorate of Industries Kazi Road ,Gangtok.
4.	Financial Assistance	Small Industries     Development Bank of     India, Lamtha     Building, Deorali     Gangtok-737101
		2. North Easten Development Finance Corporation Ltd., Yangthang House, Kazi road Gangtok.
		3. SIDICO, Bhanupath Gangtok-737101.
		4. All other Nationalized Banks & Financial Institutions.
5.	For raw materials under Govt. Supply	1.SIMFED, Sonam Gyatso Marg, Gangtok East Sikkim- 737101.
		2.STCS- Deorali, Gangtok, East Sikkim-737102.
6.	Plant and machinery under hire / purchase basis.	NSIC, Industrial Estate, By Lane no.02,Bamunimaidan, Guwahati-21. Assam.

7.	Power/ Electricity	Energy & Power Department, Govt. of Sikkim, Power Secretariat, Kazi Road Gangtok.
8.	Technical Know –how.	SICON Church Road Gangtok.
9.	Quality & Standard	BIS , Branch Office, R.G.Barua Road, 5 <sup>th</sup> By Lane , Guwahati- 781003,Assam.
10.	Marketing /Export Assistance	1.MSME-DI Tadong  2. NSIC , Industrial Estate, By Lane no.02, Bamunimaidan, Guwahati- 21. Assam  3.Export Promotion Council  G.S Road, Opp -Old Post office, Jain Complex, 3 <sup>rd</sup> floor, Guwahati-781005. Assam.
11	Other Promotional Agencies	DIC/ SKIB/KVIC/DHH/SICON/ Coir Board/Directorate of Handicrafts and Handlooms.
12.	Nodal Agency for PMEGP Scheme	State Office , Khadi & Village Industries Commission, Indira Bye Pass P.o Tadong , East Sikkim

13	Sponsoring Agencies for PMEGP	1.State Office , Khadi &
	Scheme in Sikkim	Village Industries
		Commission, Indira Bye
		Pass P.o Tadong , East
		Sikkim
		2.District Industries Centre, (East & North) Old SITCO
		complex Deorali, Gangtok East Sikkim.
		3 District Industries Centre ( South & West) New
		Shopping Plaza, Jorethang, south Sikkim
		4.Sikkim State Khadi & VI
		Board, Khadi Bhawan, Deorali, Gangtok 737102.